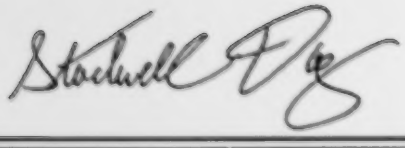
PUBLIC SAFETY AND EMERGENCY PREPAREDNESS CANADA

Departmental Performance Report
for the period ending March 31, 2007



The Honourable Stockwell Day, P.C., M.P.
Minister of Public Safety

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MINISTER'S MESSAGE

As Canada's Minister of Public Safety, I am pleased to present to Parliament the Departmental Performance Report for Public Safety Canada for the period ending on March 31, 2007.

The Public Safety Portfolio is responsible for public safety activities that help ensure the safety of Canadians – policing and law enforcement, corrections and conditional release of federal offenders, emergency management, national security, crime prevention and the protection of Canada's borders.

The Portfolio consists of Public Safety Canada, five agencies – the Canada Border Services Agency, the Canadian Security Intelligence Service, the Correctional Service of Canada, the National Parole Board and the Royal Canadian Mounted Police – as well as three review bodies.

The Department's 2006-2007 Report on Plans and Priorities identified three strategic priorities to promote public safety: protecting the security of Canada and Canadians, fighting serious and organized crime, and enhancing community safety and security. These priorities are essential components of our new government's commitment to strengthen the security of Canadians and their communities. During this past fiscal year, the Department and its Portfolio agencies have made much progress on all of these fronts.

Public Safety Canada supported the introduction of the Emergency Management Act that was recently passed in Parliament. The Act modernizes our emergency management system and strengthens the Government's readiness for all types of major emergencies. We upgraded the Government Operations Centre to improve 24-hour incident monitoring and coordination capabilities across government. The Department was also involved in the review of the Criminal Code list of terrorist entities, adding new entities to limit their ability to operate in Canada.

Public Safety Canada also made progress on initiatives to fight serious and organized crime. One of those initiatives was the National Agenda to Combat Organized Crime. As part of that initiative, the Department created a national communications strategy to educate Canadians about organized crime. Increased resources for the RCMP helped to restore the integrity of the RCMP Federal Program and increased the RCMP's capacity to address priority cases involving organized crime. The Department continues to work with Justice Canada to develop legislative reforms aimed at toughening sentencing for serious and violent sexual offences. Also, funding was allotted in the 2007 Federal Budget to improve our enforcement capacity regarding illicit drugs under the National Anti-Drug Strategy.

We increased transportation security by establishing an enhanced national/regional intelligence sharing framework. In addition, the Department coordinated the 9th Canada-

US Cross Border Crime Forum to help strengthen the security of our borders and fight trans-boundary organized crime.

We also continued to work to enhance community safety and security through the National Crime Prevention Centre (NCPC). The NCPC supported 189 crime prevention initiatives through funding of community-based projects across Canada totalling $23.95 million. The creation of the Youth Gang Prevention Fund is enabling communities most at risk to help prevent street gangs from enticing our youth into a life of crime. We also increased access to policing services for First Nations communities across Canada, which included an increase in self-administered services.

These are just a few of many exceptional accomplishments of the Department in 2006-2007. I invite you to explore the content of this report and, if you have inquiries, to consult the list of departmental contacts. You can also obtain more information on the Department's website at: www.publicsafety.gc.ca.

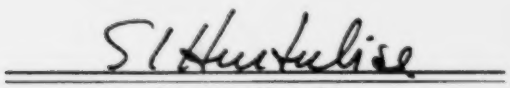
The Honourable Stockwell Day, P.C., M.P.
Minister of Public Safety

MANAGEMENT REPRESENTATION STATEMENT

I submit for tabling in Parliament the *2006-2007 Departmental Performance Report* for Public Safety Canada.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2006-2007 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat's guidance;
- It is based on the Department's Strategic Outcome and Program Activity Architecture that were approved by the Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to Public Safety Canada; and
- It reports finances based on approved numbers from the Estimates and Public Accounts of Canada.



Suzanne Hurtubise
Deputy Minister of Public Safety

SECTION I: OVERVIEW

Public Safety Overview

The Public Safety Portfolio is responsible within the Government of Canada for public safety – policing and law enforcement, corrections and conditional release of federal offenders, emergency management, national security, crime prevention and the protection of Canada's borders.

The Public Safety Portfolio consists of Public Safety Canada and five agencies: the Canada Border Services Agency (CBSA), the Canadian Security Intelligence Service (CSIS), the Correctional Service of Canada (CSC), the National Parole Board (NPB), and the Royal Canadian Mounted Police (RCMP). It also includes three review bodies: the RCMP External Review Committee (ERC), the Commission for Public Complaints Against the RCMP (CPC) and the Office of the Correctional Investigator (OCI).

For the fiscal year ending March 31st, 2007, the Portfolio's organizations had just over 52,000 employees and total net expenditures of over $6.0 billion. Each Portfolio agency, with the exception of CSIS, prepares an individual Departmental Performance Report. Owing to national security concerns, CSIS does not publicly report on its plans and priorities. Information on the reports of the other Portfolio agencies can be found on each organization's website.

The Department, Portfolio agencies, and review bodies contribute individually and collectively to the public safety agenda outlined in the 2006-2007 Report on Plans and Priorities (RPP). The 2006-2007 Departmental Performance Report provides a picture of the results achieved against performance expectations established in that year's RPP.

- The **Department** provides strategic policy advice to the Minister in areas such as national security, emergency management, border security, policing, and national law enforcement. It also delivers a broad range of national emergency preparedness, critical infrastructure protection and community safety programs. Additionally, the Department supports the Minister in all aspects of his mandate, providing national public safety leadership and strategic direction to Portfolio Agencies, while respecting the separate accountability of each agency head. Also situated within the Department is the Office of the Inspector General of CSIS, which does internal audits of CSIS's compliance with the law, Ministerial direction and operational policy. www.publicsafety.gc.ca

- The **Canada Border Services Agency (CBSA)** provides integrated border services that balance security with facilitation of legitimate travel and trade. It is responsible for: administering legislation that governs the admissibility of people and goods into and out of Canada; detaining and removing those people who may pose a threat to Canada, including those involved in war crimes or crimes against humanity;

promoting Canadian business and economic benefits by administering trade legislation and agreements, including collecting any applicable duties and taxes and applying trade remedies that help protect Canadian industry. www.cbsa-asfc.gc.ca

- The **Canadian Security Intelligence Service (CSIS)** plays a leading role in protecting the national security interests of Canada by investigating and reporting on threats to the security of Canada. Guided by the rule of law and the protection of human rights, CSIS works within Canada's integrated national security framework to provide advice to the Government of Canada on these threats. www.csis-scrs.gc.ca

- The **Correctional Service of Canada (CSC)** contributes to public safety by administering court-imposed sentences for offenders sentenced to two years or more. This involves managing institutions (penitentiaries) of various security levels and supervising offenders on different forms of conditional release, while assisting them to become law-abiding citizens. CSC also administers post-sentence supervision of offenders with Long Term Supervision Orders (LTSOs) for up to 10 years. www.csc-scc.gc.ca

- The **National Parole Board (NPB)** is an independent, quasi-judicial, decision-making body that has exclusive jurisdiction and absolute discretion to grant, deny, cancel, terminate or revoke parole. The Board's mission is to contribute to the protection of society by facilitating the timely reintegration of offenders into society as law-abiding citizens. The Board also makes conditional release decisions for offenders in provincial institutions for provinces without their own parole board. www.npb-cnlc.gc.ca

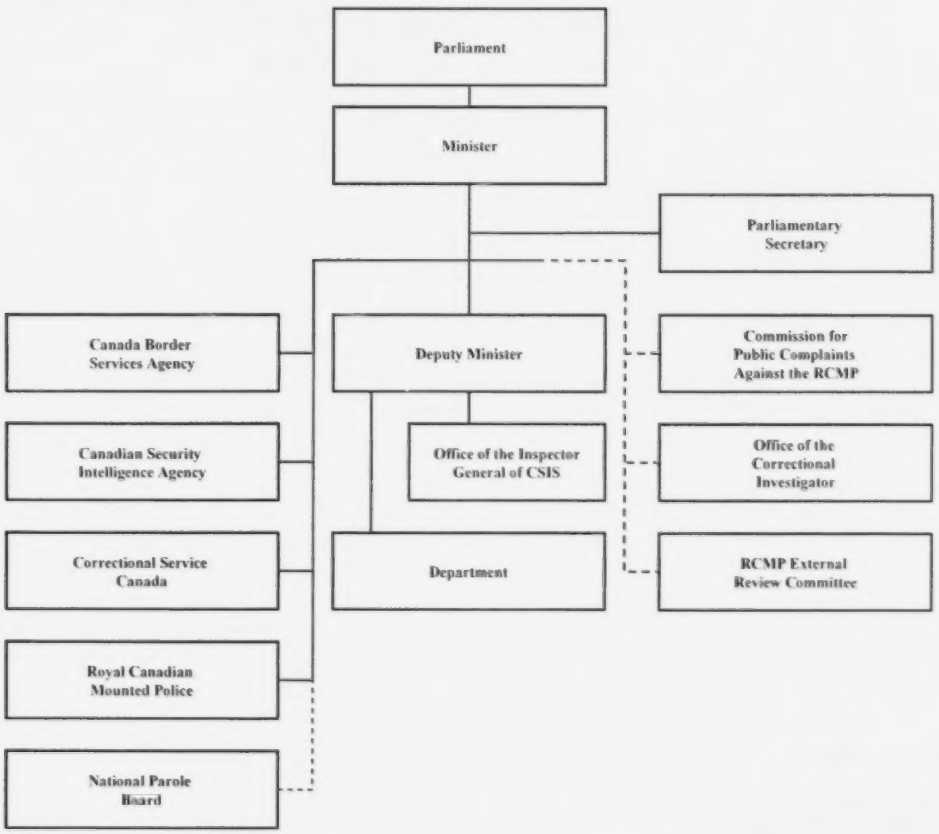
- The **Royal Canadian Mounted Police (RCMP)** enforces Canadian federal laws, prevents crime and maintains peace, order and security. This includes the following responsibilities: to prevent, deter and disrupt threats to national security; to prevent, detect and investigate offences against federal statutes; to maintain law and order and prevent, detect and investigate crime in provinces, territories and municipalities where the RCMP has a policing contract; to provide investigative and protective services to other federal departments and agencies; to reduce gun violence; and, to provide Canadian and international law enforcement agencies with specialized police training and research, forensic laboratory services, identification services and informatics technology. www.rcmp-grc.gc.ca

- The **Commission for Public Complaints against the RCMP (CPC)** receives and reviews public complaints regarding the conduct of members of the RCMP in an open, independent and objective manner. The Commission informs the public of its mandate and services, reviews and investigates complaints concerning the conduct of RCMP members, holds public hearings, prepares reports (including findings and recommendations), and conducts research and policy development to improve the public complaints process. www.cpc-cpp.gc.ca

- The **Office of the Correctional Investigator (OCI)** is mandated by legislation to act as the Ombudsman for federal corrections. Its main function is to conduct independent, thorough and timely investigations regarding decisions, recommendations, acts or omissions of the Correctional Service of Canada (CSC) that affect offenders, either individually or as a group. It may initiate an investigation upon receipt of a complaint by or on behalf of an offender, at the request of the Minister of Public Safety, or on its own initiative. www.oci-bec.gc.ca

- The **RCMP External Review Committee (RCMP ERC)** is an independent and impartial agency that aims to promote fair and equitable labour relations within the RCMP in accordance with applicable principles of law. To this end the Committee conducts an independent review of appeals in disciplinary, discharge and demotion matters, as well as certain categories of grievances, in accordance with the *RCMP Act*. www.erc-cee.gc.ca

The Public Safety Portfolio:



Summary Information

The mandate of Public Safety Canada[1] is to keep Canadians safe from a range of risks, including natural disasters, crime and terrorism. To do this, Public Safety Canada coordinates and supports the efforts of federal organizations helping to ensure national security and the safety of Canadians, and works with other levels of government, the police, first responders, community groups, the private sector and foreign governments.

The Department provides policy advice and support to the Minister of Public Safety on issues related to public safety, including national security, emergency management, policing and law enforcement, interoperability, information sharing, corrections and conditional release, Aboriginal policing, and crime prevention. The Minister is thus supported, assisted and advised in his responsibilities as they relate to:

- exercising his function as the lead Cabinet Minister for public safety;
- co-ordinating the activities and providing effective direction to Portfolio agencies;
- developing policies, programs and procedures to protect Canada's national security and building capacity to prevent, prepare for, respond to and recover from natural and human-induced disasters;
- providing advice in relation to emerging developments in national security matters and their impact on Canada's diverse and pluralistic society through the Cross-Cultural Roundtable on Security;
- exercising his national leadership role in policing, law enforcement and strategies to combat priority aspects of criminal activity, such as organized crime and drugs;
- leading the integration and interoperability of public safety and security agencies to facilitate information sharing across Canadian jurisdictions and organizations;
- implementing the First Nations Policing Policy through the negotiation, administration, maintenance and monitoring of tripartite policing agreements with provincial, territorial and First Nations governments;
- administering the National Crime Prevention Strategy in order to focus on the root causes of crime and enable communities to develop local solutions to crime and victimization; and
- supporting research, evaluation and policy development that strengthen effective corrections and promote successful reintegration of eligible offenders.

The Department also plays a key role in encouraging cohesion, integration and information-sharing across the Portfolio. This helps ensure that the Minister is provided with timely and comprehensive advice, that the Portfolio's strategic policy and legislative framework remains current and effective, and that public safety threats are thoroughly

[1] Public Safety Canada is the new applied title for the Department of Public Safety and Emergency Preparedness.

assessed and addressed in a way that reflects Canadian values and maintains the integrity of the criminal justice and national security systems. This leadership role is integral to the provision of sound policy advice that supports decision-making

2006–2007 Financial Resources (in millions)		
Planned spending	Total authorities	Actual spending
$498,105	$467,531	$300,453

2006–2007 Human Resources	
Planned	Actuals
999 FTEs	825 FTEs

Spending by Priority and Program Activity			
Strategic Outcome: Enhancing the public safety, security and emergency preparedness of Canadians in an open society			
Priority	Program activity	2006-2007 Spending (in millions)	
		Planned	Actual
Protecting the security of Canada and Canadians	Emergency management and national security	$267,013	$108,918
Fighting serious and organized crime	Policing, law enforcement and interoperability	$38,717	$33,615
Enhancing community safety and security	Community safety and partnerships	$192,375	$157,920
	Departmental Total	**$498,105**	**$300,453**

Strategic Priorities

Emergency Management and National Security	
Priority	Protecting the security of Canada and Canadians
Expected result	Policies and programs that ensure appropriate and measured responses to protect the security of Canada and Canadians.

While most emergencies are managed at the local level, factors such as urbanization, critical infrastructure interdependencies, terrorist acts, severe weather events, and the steady flow of people and trade across borders increase the potential for catastrophes in Canada to transcend geographic and jurisdictional boundaries. All levels of government have an obligation to their citizens to analyze risks, prevent or mitigate where possible, and continuously improve their ability to work together to prepare for, respond to, and recover from the consequences of disasters.

Through the implementation of an integrated all-hazards approach to the national emergency management system to address the challenges of the current risk environment, the Department engages in activities in an effort to save lives, preserve the environment, and protect property and the economy. The national emergency management system is comprised of four interdependent, risk-based functions, or pillars:

- prevention/mitigation;
- preparedness;
- response; and
- recovery.

The Department is focused on making strategic investments, policies and programs, and advancing legislative/regulatory initiatives to encourage a balanced approach across these four pillars.

Performance Highlights
• Modernized Emergency Management legislation – In 2006-07, the *Emergency Management Act* (Bill C-12) was introduced in Parliament. The Act, which received Royal Assent on June 22, 2007 and came into force on August 3, 2007, effectively replaces the *Emergency Management Preparedness Act* (1988) and now serves as the foundation of emergency management in Canada. The new Act will contribute to the establishment of a comprehensive national emergency management system based on the elements of prevention/mitigation, preparedness, response and recovery.
• Strengthened emergency management machinery – In 2006-07, the government

strengthened the core capacity of Public Safety Canada to support emergency management. This increase in core capacity will contribute to stronger and more resilient Canadian communities. Measures to enhance emergency management include the renovation of the Government Operations Centre (GOC) to provide effective, 24-hour incident monitoring, coordination, management and support across government; a completed National Exercise Program strategy and business plan; a renewed Strategy for Emergency Management Training; upgrading the technological capacity of Public Safety Canada regional offices; and the implementation of the initial phase of the Regional Operational Reserve that, once completed, will provide access to up to 1000 trained public servants from OGDs able to provide surge capacity to Public Safety core resources in times of major emergencies. The Canadian Cyber Incident Response Centre (CCIRC) continues to serve as the national focal point for the defence and assurance of Canada's critical information infrastructure.

- Enhanced national security legislative and policy frameworks – Public Safety Canada provides leadership in the development and implementation of national security policies and laws, promotes cross-border counterterrorism cooperation, and ensures that national security and law enforcement agencies keep up with emerging technologies in the detection, prevention and investigation of organized crime. The Department is also engaged in ongoing legislative development, including a review of the Criminal Code list of terrorist entities, and modernization of investigative techniques initiatives.

- Continued work towards the establishment of a comprehensive cyber security strategy – The Department established the Cyber Security Strategy Secretariat comprising representation from five government departments (RCMP, CSIS, Industry Canada, CSE and Public Safety Canada). The Secretariat will initiate public-private sector stakeholder meetings and workshops to discuss a proposed approach for partnering to enhance cyber security in Canada and initial building-block initiatives towards a comprehensive cyber security strategy. A discussion paper entitled "Partnering to Enhance Canadian Cyber Security" has been circulated to private and public sector stakeholders for comment.

Policing and Law Enforcement	
Priority	Fighting serious and organized crime
Expected result	Enhanced capabilities to combat serious and organized crime.

In recent years, the environment within which federal policing and public safety organizations operate has changed significantly. The increasingly complex and sophisticated nature of serious and organized crime, such as transnational criminal activity and emerging internet-based crime, poses a serious and significant problem for Canada. In March 2007, a public opinion poll[2] involving over 1,300 Canadians found that approximately 84% of respondents identified organized crime as a serious issue.

Fighting these crimes is further complicated by the reality that most federal investigations of serious and organized criminal activity cross international borders, creating significant jurisdictional, cost and information-sharing challenges. Federal efforts to combat these crimes require departmental leadership to ensure that information is shared with key stakeholders and to develop coordinated, collaborative policies and programs for implementation across the government, particularly across the Portfolio and between levels of government.

Over the past year, the Department has continued to make progress on developing policies and strengthening coordination activities with federal, provincial and foreign policing and public safety organizations to enhance their capabilities to combat serious and organized crime. Under the National Agenda to Combat Organized Crime, and bolstered by cooperation with the U.S. under the umbrella of the Canada-U.S. Cross Border Crime Forum, efforts are focused on such areas as marijuana grow-operations and clandestine crystal methamphetamine labs; fraud; economic crime; organized crime; cyber crime; and human trafficking. The Department also played a significant policy development role in the area of transportation security and border integrity, including strengthening the public safety components of Canada's immigration program.

Performance Highlights
• National Agenda to Combat Organized Crime – A national communications strategy was developed to educate Canadians about organized crime. Announced in Budget 2007, funding was awarded to enhance illicit drug-related enforcement capacity as part of the federal government's National Anti-Drug Strategy. In addition, efforts were made to streamline and revitalize the governance structure of the National

[2] Ekos Research Associates conducted a telephone interview between March 15 and March 30, 2007, of a random sample of 1,336 Canadians, 18 years of age and older

Coordinating Committee on Organized Crime and its Regional Coordinating Committees, and partnerships were increased with stakeholders at the federal, provincial and municipal levels under the Measures to Combat Organized Crime (MCOC) Initiative.

- Strategy to combat gun violence – To combat the problem of firearms trafficking and smuggling, the Department worked closely with Justice Canada on legislation to increase mandatory minimum penalties for serious firearms offences. The process of arming border officers and ending dangerous work alones at the border was also initiated. Responsibility for the Firearms Program was transferred to the RCMP to enhance its links to law enforcement priorities. Bill C-21 was introduced to repeal the requirement to register non-restricted firearms and focus gun control efforts on combating firearm crime. Canadians were consulted on measures to improve the Firearms Program, and $14 million was secured to enhance screening of new license applicants.

- Increasing RCMP policing capacity – The government committed $161 million over two years as funding for the RCMP to increase the number of RCMP personnel and restore the integrity of the RCMP Federal Program. These resources have increased the RCMP's capacity to address priority cases. For example, the additional resources will play a large role in the effort to combat organized crime.

- Strengthening border integrity – The Department coordinated the 9th Canada-U.S. Cross Border Crime Forum, managed and developed the law enforcement cooperation components of the Security and Prosperity Partnership of North America, and led the Portfolio security initiatives announced in Budget 2007 in support of several immigration programs.

- Bolstering transportation security – the Department developed new strategies, policies and methods to strengthen capacity among Portfolio partners in the area of rail and urban transportation security by establishing an enhanced regional/national intelligence sharing framework, and protocols for the collection, analysis, and sharing of suspicious incidents with regards to national security.

Community Safety and Partnerships	
Priority	Enhancing community safety and security
Expected result	Public confidence that the Government of Canada's public safety and security regime is responsive, robust and decisive in a national crisis and accommodating in a time of peace.

Ensuring a safe, just and secure society is a core responsibility of government. While Canadians generally feel safe, there are emerging and ongoing public safety issues that challenge the confidence and perceptions of Canadians, such as gun violence and gang activity in Canada's major urban centers; high crime and victimization rates in Aboriginal communities; the disproportionate representation of Aboriginal offenders in federal penitentiaries; and the complexity, sophistication and transnational nature of criminal activity.

Furthermore, as crime and society become more complex, so has the federal offender profile. An increasing number of today's offenders have extensive histories of violence, receive higher security risk classifications upon admission to federal institutions and suffer from complex mental health problems.

Public Safety Canada aims to improve the safety and security of Canadians in partnership with communities through crime prevention, Aboriginal policing and effective corrections. This is achieved by developing, funding and evaluating crime reduction and crime prevention strategies and programs, facilitating the negotiation and implementation of agreements with provinces and First Nations for policing services in First Nations communities, and developing evidence-based corrections policy to support the safe custody and reintegration of offenders.

In fiscal year 2006-07, Public Safety Canada was successful in developing and disseminating knowledge on crime prevention, supporting provincial and municipal efforts to address gang-related problems, directing a portion of crime prevention funds to youth at risk of coming into conflict with the law, increasing access to policing services for First Nations communities, and developing knowledge, policies and strategies that have improved Canada's corrections system.

Performance Highlights
• National Crime Prevention Strategy – The Department supported 189 new crime prevention initiatives (for a total amount of $23.95 million) in communities across Canada. In addition, a new funding program was created to assist communities that are experiencing youth gang problems. The Youth Gang Prevention Fund provides time-limited funding for anti-gang initiatives in communities where youth gangs are

an existing or emerging threat. It supports the development and implementation of tailored interventions aimed at youth who are in gangs or at risk of joining gangs.

- Aboriginal Policing – The Department increased access to policing services for First Nations communities. There are currently 158 First Nations Policing Program agreements across Canada (including Self-Administered and Community Tripartite Agreements), which cover 401 communities with a population of 291,387. This is an increase of 13 agreements compared to fiscal year 2005-06, covering an additional 82 communities. Furthermore, there are now 1,158 police officers employed, most of whom are of Aboriginal descent. This is an increase of 158 compared to the previous fiscal year.

- Corrections and Criminal Justice – The Department developed and supported several corrections policies and legislation that improved Canada's corrections system. As well, knowledge was developed on the effectiveness of correctional measures to inform evidence-based corrections policy. Continued efforts were sustained to address the over-representation of Aboriginal Canadians in the criminal justice system through coordination and support to community healing projects. Furthermore, Public Safety Canada contributed to several consultations and conferences in the area of corrections and criminal justice, such as the Annual Corrections Roundtable, and the "What Works" conference on successful community reintegration of high-risk offenders.

Management Priorities

Management priorities played a key role—within the Department and across the Portfolio—in the advancement of Emergency Management and National Security, Policing and Law Enforcement, and Community Safety and Partnerships. As such, these priorities focused on Departmental and Portfolio leadership and enhanced measures for improved accountability and stewardship. Through these priorities, the Department implemented and improved its management practices, strengthened its outreach capacity, and further focused on its management and policy agenda, all in keeping with the Department's strategic outcome.

Key areas of focus:

1. Effective and efficient Portfolio leadership
2. Improved accountability and stewardship
    a. Integrated Human Resource planning;
    b. Strategic planning and performance measurement;
    c. Information Management/Information Technology (IM/IT) strategic plan; and
    d. Integrated risk management.

1. Effective and efficient Portfolio leadership
Performance Highlights
• The existing Departmental Research Committee was expanded to become the Portfolio Research Committee, allowing the benefits of research and information sharing to be leveraged across the Portfolio. The expanded Committee is also a focal point for discussions on common research problems and priorities, and for planning the Portfolio's involvement in wider government research funding initiatives. • The Department undertook greater community engagement through regional symposia, outreach events, and an on-going dialogue with the Cross-Cultural Roundtable on Security (CCRS) aimed at increasing dialogue between the Government and Canadian communities on issues related to national security. • The Department provided coordination and logistical advice and support for several federal-provincial-territorial meetings of Ministers and Deputy Ministers responsible for emergency management and justice. This included the provision of leadership, coordination and facilitation for several deputy and minister-level bilateral meetings with provincial-territorial counterparts from across the country. • The Department changed its governance structure by creating a Policy Committee and a Management Committee, in addition to the Department's Executive Committee.

This occurred to enhance senior management focus on the Department's management and policy agenda.

2. Improved accountability and stewardship

Performance Highlights

a) Integrated Human Resource planning

- The Department made progress towards developing a comprehensive information database that will support the integration of HR into strategic and business planning processes.
- A few examples of achievements include the development of a demographic overview of the Department's workforce, the development of an employment equity action plan, and the review of departmental official languages obligations. These achievements will serve as the basis to develop HR strategies that will meet and respond to the future needs and challenges of the Department.
- Aggressive recruitment strategies have been implemented to provide for a sustainable workforce.

b) Strategic planning and performance measurement

- Public Safety Canada's business model for the coordination and delivery of the Strategic Planning and Reporting function was reviewed and several changes recommended. A new Planning and Reporting framework will be established over fiscal years 2007-08 – 2008-09 and changes to the departmental structure will be implemented accordingly.

c) Information Management/Information Technology strategic plan

- Significant progress was made on the IM/IT Strategic Plan, particularly, the IM/IT policy framework and the development of a departmental IM/IT Security Program. A key achievement was the establishment of a departmental IM/IT Advisory Committee which defines and prioritizes IM/IT services within the Department.

d) Integrated risk management

- As part of the review of the strategic planning and reporting business model, the departmental approach to integrated risk management (IRM) was evaluated and a new departmental policy on IRM will be developed and implemented.

Links to the Government of Canada Outcome Areas

Public Safety Canada contributes to Government of Canada priorities, as reported annually in *Canada's Performance Report*. The Department's strategic outcome of *enhancing the public safety, security and emergency preparedness of Canadians in an open society* is directly linked to the government-wide outcome of *promoting safe and secure communities*. The Department also contributes to *a safe and secure world* though international cooperation and to a *strong and mutually beneficial North American Partnership* through the Security and Prosperity Partnership.

SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

Analysis by Program Activity

The Department has a single strategic outcome and three program activities. This section of the Departmental Performance Report (DPR) provides detailed performance information on each program activity, reporting on the key areas of focus and major activities.

Strategic Outcome:	Enhancing public safety, security and emergency preparedness of Canadians in an open society.

Program Activity	Priorities	Expected Results	Page
Emergency Management and National Security	Protecting the security of Canada and Canadians	Policies and programs that ensure appropriate and measured responses to protect the security of Canada and Canadians	22
Policing, Law Enforcement and Interoperability	Fighting serious and organized crime	Enhanced capabilities to combat serious and organized crime	32
Community Safety and Partnerships	Enhancing community safety and security	Public confidence that the Government of Canada's public safety and security regime is responsive, robust and decisive in a national crisis and accommodating in a time of peace	40

Emergency Management and National Security	
Priority	Protecting the security of Canada and Canadians
Expected result	Policies and programs that ensure appropriate and measured responses to protect the security of Canada and Canadians.

From natural disasters such as earthquakes and floods, to human-induced emergencies such as industrial accidents or terrorist attacks, Canadians live in an increasingly complex threat environment. Although most emergencies in Canada are managed at the local level, factors such as increased urbanization, critical infrastructure interdependencies, international terrorist groups, severe weather events, and the steady flow of people and trade across borders increase the likelihood that catastrophes in Canada transcend geographic and jurisdictional boundaries. Accordingly, all levels of government have an obligation to their citizens to analyze risks, prevent or mitigate where possible, and continuously improve their ability to work together to prepare for, respond to, and recover from the consequences of disasters.

The Department is developing an integrated all-hazards national emergency management system to address the challenges of the current risk environment. The goal of these activities is to save lives, preserve the environment and protect property and the economy. The Department is focusing on strategic investments, policies and programs, and legislative/regulatory initiatives to encourage a balanced approach.

2006–2007 Financial Resources (in millions)		
Planned spending	Total authorities	Actual spending
$267,013	$244,782	$108,918

2006–2007 Human Resources	
Planned	Actuals
575 FTEs	420 FTEs

There were four strategic areas of focus related to emergency management and national security in 2006-2007:

1. Building a stronger emergency management foundation;
2. Establishing effective emergency management machinery;
3. Assuring a strong national security framework; and
4. Cyber security.

Building a stronger emergency management foundation

To safeguard its social and economic framework, Canada needs a comprehensive emergency management foundation comprised of legal and policy measures that ensure coordinated readiness and response.

Progress in Canada's system of emergency management, government machinery changes and lessons learned over the last 20 years highlighted the importance of updating Canada's emergency management legislation, particularly the *Emergency Preparedness Act* (1988). Bill C-12, the *Emergency Management Act*, was introduced in Parliament in 2006-07 and came into force on August 3, 2007. The Act repeals and replaces the *Emergency Preparedness Act*. This new legislation provides the necessary authorities for the Government of Canada to address not only the challenges of its own preparedness and a coordinated federal response, but also the requirement for collaboration with other jurisdictions and key stakeholders, and the protection of sensitive critical infrastructure and emergency management information.

Activity	Expected results and timelines	Progress / Outcomes / Results reported
Updating of Canada's emergency management legislation, particularly the *Emergency Preparedness Act* (1988)	Improved preparedness and response of federal government in times of emergency	• Bill C-12, the *Emergency Management Act*, received First Reading in the House of Commons on May 8, 2006, and came into force on August 3, 2007. • The new Act will contribute to the establishment of a comprehensive national emergency management system based on the elements of prevention/mitigation, preparedness, response and recovery.
Development of a national emergency response system	Increased capability to protect lives and prevent economic losses in the event of a	• An Emergency Management Framework for Canada was approved by Federal/Provincial/Territorial (F/P/T) Ministers responsible for emergency management in January 2007.

	disaster	• An F/P/T Prevention/Mitigation Working Group was established to develop recommendations for a National Disaster Mitigation Strategy for consideration by F/P/T Ministers in early 2008. • Public Safety Canada officials engaged Environment Canada, Natural Resources Canada, the Department of Fisheries and Oceans, and the Department of Transport, Infrastructure and Communities to examine the possible role of the federal government in supporting priorities for structural and non-structural disaster mitigation. • The "72 hours" emergency preparedness campaign increased public awareness of the need to prepare for emergency situations.
Development of a cross-sectoral, multi-jurisdictional approach to pandemic influenza planning	Coordinated national pandemic influenza preparedness strategy	• Public Safety Canada supported the ongoing work of the Deputy Minister Committee on Avian and Pandemic Influenza Planning to help ensure federal government preparedness. • Measures were undertaken to increase information sharing with the public and other stakeholders during this type of emergency.
Administration of changes to the Disaster Financial Assistance Arrangements (DFAA)	Implementation of proposed changes to the DFAA to support provinces and territories following natural disasters – by end of 2007-2008	• The Provincial/Territorial consultation process related to the DFAA review was completed and proposed changes recommended. • An F/P/T Recovery Working Group was established to develop the components of a comprehensive national disaster recovery strategy which includes updating and improving the DFAA.
Implementation of revised terms and conditions for the Joint Emergency	Revision of the JEPP terms and conditions to allow for support of operating and	• Revisions to the JEPP Terms and Conditions were developed in consultation with provinces and territories.

Preparedness Program (JEPP)	maintenance expenditures for heavy urban search and rescue teams – by end of 2007-2008	

Establishing effective emergency management machinery		
The establishment and maintenance of effective emergency machinery to provide the basis for coordinated federal emergency response is a public safety priority. Public Safety Canada advanced the following three initiatives to guide the development, implementation and measurement of this commitment.		
Activity	**Expected results and timelines**	**Progress / Outcomes / Results reported**
Provided around the clock coordination, support and leadership during emergencies of national importance	Improved preparedness and coordinated response of federal government in times of emergency	• Responded effectively and in a coordinated manner to major emergencies such as the Lebanon repatriation and large scale floods in Manitoba, Saskatchewan and Alberta. • The Government Operations Centre (GOC) provides around-the-clock incident monitoring, coordination, management and support across government to key national players in the event of a national emergency. July 2006 was an opportune time for the GOC to demonstrate its capabilities. During the nine-day federal government operation to evacuate Canadian citizens from Lebanon, the GOC played an essential role in coordinating the domestic aspects of the operation in conjunction with Public Safety Canada and the governments of Quebec and Ontario. More than 14,000 Canadians were transported from Lebanon to Quebec and Ontario during this multi-departmental, multi-jurisdictional operation. The operation was the largest and most successful rescue effort in Canadian history. • Further improvements were made to the coordination of emergency communications by initiating the development of Public Safety Canada's Emergency Communications Protocol which

		outlines departments' roles and responsibilities for communications during an emergency. • The National Exercise Program strategy and business plan were completed. Planning for future exercises in the 2007-2008 timeframe was undertaken in partnership with other federal government departments and agencies, provinces and territories, and international partners. • National concepts of operations, for regional offices, were developed that are both respectful of provincial/territorial realities but promote a more standardized approach to management of emergencies in regions, including common terminology and standard operating procedures in support of the Federal Emergency Response Management System. • National accommodations guidelines to be used in all future accommodation projects were developed for Public Safety Canada's regional offices. These will help ensure a high level of operational effectiveness and optimal cooperation between federal, provincial and territorial partners.
		• Upgraded existing Information Management / Information Technology (IM/IT) in regional offices and acquired a substantial amount of new technology, including state of the art mobile satellite communication capacity that now allows the establishment of voice and data communication networks in remote areas that can be used by all stakeholders in times of emergency. • Developed and started the implementation of a Regional Operational Reserve composed of

		trained Public Service employees from departments that are not involved in an emergency and who could provide assistance to Public Safety Canada in times of emergencies, both at the operational level and for public communications purposes. • Organized or co-organized workshops in various parts of the country aimed at enhancing awareness and preparedness relating to pandemic planning and other major threats for representatives of the federal departments or agencies and other stakeholders. • Briefed federal councils around the country on the issue of emergency preparedness and the federal government crisis machinery. • Participated and/or led the establishment of multi-departmental exercises in the regions aimed at testing current response capacity, identifying deficiencies and correcting weaknesses. • Better information exchange and sharing between non-governmental organizations and the Department through the Domestic Group on Emergency Management (DGEM). • Recognized the importance of coordinated, timely public information during an emergency, the Department enhanced its communication coordination capacity with the creation of a new Communications Coordination Centre in Ottawa, HQ. The Department also established new communications duty officer positions that operate directly in the Government Operations Centre on a rotational basis. This ensures faster sharing of verified information to and from federal government departments and

		Provincial/Territorial communications teams.
Monitoring of cyber threat environment, and issuing warnings and information on potential, imminent, or actual threats, vulnerabilities or incidents affecting Canada's critical infrastructure	National critical infrastructure less vulnerable to cyber attacks	• The establishment of the Canadian Cyber Incident Response Centre (CCIRC) was announced in February 2005 to serve as the national focal point for the defence and assurance of Canada's critical information infrastructure. Its primary functions include incident handling and coordination of cyber security events, technical analysis, and monitoring and reporting on computer network threats through warnings and other publications. • CCIRC participated in the Canada/United States/United Kingdom/Australia/New Zealand Operations Portal, which is an operational information-sharing forum hosted by the United States Computer Emergency Response Team. • CCIRC participated in Natural Resources Canada Energy Sector Stakeholders quarterly meetings, in collaboration with the RCMP and CSIS, with representatives from the energy industry and associations. The purpose is to share energy-related classified information regarding threat and risk assessments and discuss potential threats to the sector. • Capacity building of CCIRC during its second year of existence was ongoing and will continue to be a high priority for the coming year.

Assuring a strong national security framework

The threat of terrorist attacks on Western targets persists, and in June of 2006, this threat was demonstrated in the Greater Toronto Area when 17 individuals were arrested and charged with terrorism-related offences under the Criminal Code.

The Government of Canada has a duty to its citizens to be aware of the risk environment, to take appropriate measures to prevent attacks wherever possible, and to be prepared to respond to the consequences, if needed. Canada's approach to national security must be strategic and proactive, while embracing the values of democracy, human rights, respect for the rule of law and pluralism. Work continued in 2006-2007, to ensure that the existing framework is adequate to safeguard against threats to national security, and to propose changes where required.

Activity	Expected results and timelines	Progress / Outcomes / Results reported
Review of the Criminal Code list of terrorist entities	Limit participation in, and funding of, terrorist groups by residents of Canada	• Public Safety Canada leads the interdepartmental coordinating committee on the listing of terrorist entities. As of March 31, 2007, 40 entities were listed under section 83.05 of the *Criminal Code*, leading to the freezing of assets belonging to these entities. • In November 2006, the Government of Canada conducted a two-year review of the entities listed under the *Criminal Code* to determine their status. All of the listings were retained. The entire list will again be subject to review in 2008. • Public awareness of terrorist entities was increased in order to limit their ability to operate in Canada.
Modernization of the legislative framework to maintain law enforcement and national security agencies' ability to lawfully investigate criminal and	The ongoing effectiveness of investigations and intelligence gathering efforts of law enforcement and national security agencies	• Public Safety Canada focused on the development of legislation to enhance technical assistance to law enforcement.

terrorist acts perpetrated through the illicit use of new technologies		
Coordination and collaboration with agencies and departments on issues concerning national security and the intelligence community	Ensure the legal foundation for counterterrorism and national security efforts continues to be appropriate and effective	• The Department continued to provide leadership on the implementation of the National Security Policy, promoted cross-border counterterrorism cooperation, and helped to ensure that national security and law enforcement agencies kept up with emerging technologies in the detection, prevention and investigation of terrorism and organized crime. It also developed and implemented a counterterrorism framework that responds to evolving national and international demands. • The Department continued to work closely with the Portfolio, local, regional, national, and international government and non-government organizations to effectively address emerging threats.
Support the Parliamentary review of the *Anti-Terrorism Act*	Ensure the existing framework for coordinated action is adequate to safeguard against threats to national security, and propose changes where required	• The Department supported the Parliamentary review of the *Anti-Terrorism Act*. This required coordination across key security stakeholders in government to ensure an adequate national security framework.
Participate in government inquiries and commissions (i.e. Air India, O'Connor) concerning national security	Represent departmental position on issues involving statutory responsibilities of the Minister and Public Safety	• The Government of Canada has accepted all of Justice O'Connor's recommendations from his *Report of the Events Relating to Maher Arar* (Part I). Departments and agencies have already implemented many of these recommendations.

matters	Canada agencies to effectively contribute to the mandate of these reviews	• Justice O'Connor's second report *A New Review Mechanism for the RCMP's National Security Activities*, was tabled in Parliament on December 12, 2006. The report's recommendations are being carefully considered.

Cyber security

The development and implementation of a comprehensive approach to protecting Canada's critical infrastructure (CI) is a priority. CI sectors include everything from banking and financial services, the generation and distribution of energy, communications and information technology infrastructure, transportation, government services, to infrastructure that maintains the safety of our food and water.

These critical sectors are heavily dependent on automated systems and interconnected networks. Moreover, the interconnectedness of, and our dependence on, information and communications technology infrastructure is of critical importance to emergency management programs and activities. As Canada's communications and information technology networks are vulnerable to deliberate cyber attacks and unintentional disruptions, cyber security must be an integral component of maintaining the integrity of Canada's critical infrastructure.

The Secretariat supporting the establishment of a Cyber Security Task Force (CSTF) was developed in the spring of 2006. In the Fall of 2006, a new approach was adopted and the Task Force was replaced by the Cyber Security Strategy Secretariat. The Secretariat will make recommendations on a cyber security strategy for Canada and an action plan that will contribute to protecting the security of Canada and Canadians.

Activity	Expected results and timelines	Progress / Outcomes / Results reported
Selection of Task Force including the Chair and establishment of a secretariat to support the Task Force	A Task Force with cross-sectoral reach and representation, composed of members of both the private and public sectors	• The Task Force was not established by the 2006-07 fiscal year, given the decision to adopt a different approach to the development of a cyber security strategy through the establishment of the Cyber Security Strategy Secretariat. The Secretariat will engage private sector leaders through a series of meetings and workshops to establish general consensus on the planned approach. The first Public-Private Stakeholder meeting occurred in June 2007.
Initiation and completion of two major studies to determine key information	Increase in knowledge throughout the critical infrastructure	To determine the overall state of Canada's cyber security posture, two national studies were conducted: • Survey of Canada's critical infrastructures to determine its state

regarding Canadian critical infrastructure, as it pertains to cyber security	(CI) sectors of the cyber security risks they face	of readiness to respond to and recover from cyber attacks/disruptions; • Investigation of Cyber Security Interdependencies within Canadian Critical Infrastructure reviewed the key critical infrastructure sectors for interdependencies, and assessed the potential risk from cyber events in these sectors, both qualitatively and quantitatively. The studies were extended into fiscal year 07-08 to improve the reliability of expected findings and were completed in July 2007.
Combined, these studies will provide insight into the management and control of cyber security risks, identify CI interdependencies across sectors, and recommend mitigative measures and identify their costs	Increase in awareness through the CI sector of the mitigation strategies that can be adopted to address cyber security risks	• Plans are in place to convene public-private sector stakeholder meetings and workshops through 2007-08 to discuss a proposed approach for partnering to enhance cyber security in Canada and initial building-block initiatives towards a comprehensive cyber security strategy that will better manage cyber security risks and promote trust and confidence in the information economy. • A discussion paper was produced outlining Canada's current state of cyber security, examining both government sectors and critical infrastructure sectors. The paper included an examination of international practices in the United Kingdom, United States and Australia, identifying strengths and weaknesses in their cyber security programs.

Policing, Law Enforcement and Interoperability	
Priority	Fighting serious and organized crime
Expected result	Enhanced capabilities to combat serious and organized crime.

An integrated and enhanced approach to public safety requires not only the timely provision of appropriate policy advice, but also the sharing of information among all those with a mandate to ensure safe communities. Accordingly, the Department has combined its policy capacity on law enforcement and border strategy issues with its efforts to integrate critical public safety information across relevant jurisdictions and among key public agencies. This approach enables the Minister to exercise national leadership on key law enforcement issues and facilitates information sharing to promote public safety objectives.

Within a dynamic operating environment, the Department continued to oversee the implementation of the National Agenda to Combat Organized Crime, worked with Portfolio agencies and federal partners to identify law enforcement limitations and enhance illicit drug-related enforcement capacity, developed a national strategy to address counterfeit currency, and undertook efforts to position Canada to become a party to the United Nations Convention Against Corruption.

The Department also successfully took measures to bolster transportation security and strengthen border integrity by coordinating and developing policy approaches with Portfolio agencies and a broad range of other federal departments. It coordinated the 9th Canada-United States Cross-Border Crime Forum, and managed and developed the law enforcement cooperation components of the Security and Prosperity Partnership of North America (SPP), which focus on the disruption of organized crime and terrorist networks. The Department led and coordinated Portfolio security policy that supported immigration initiatives aimed at mitigating identified risks, developed new strategies, programs and policies to combat cross-border crime and secured funding for the establishment of integrated security strategies to address rail and urban transportation related threats.

As part of its comprehensive national strategy to combat gun violence, the Firearms Program was transferred to the Royal Canadian Mounted Police. The Department also consulted Canadians on measures to improve the Firearms Program, supported the Government's introduction of Bill C-21 to repeal the requirement to register non-restricted firearms, and secured $14 million to enhance screening of license applicants. To address priority criminal cases, such as organized crime, the Government provided $161 million over two years to increase personnel and restore the integrity of the RCMP Federal Program. $37

million over two years was also provided for the RCMP to increase its training capacity. In addition, the Government approved the creation of a new International Police Peacekeeping and Peace Operations Program and associated funding within the RCMP to support Canada's foreign policy. These efforts were complemented by the Government's adoption of a Protocol on Foreign Criminal Investigators in Canada that regulates the entry into Canada and approval of foreign criminal investigators wishing to pursue criminal investigations in this country.

The Department also led the development and ratification of an agreement between the Government of Canada and the Province of British Columbia to share the security costs for the 2010 Olympic and Paralympic Winter Games.

2006–2007 Financial Resources (in millions)		
Planned spending	Total authorities	Actual spending
$38,717	$35,030	$33,615

2006–2007 Human Resources	
Planned	Actuals
148 FTEs	145 FTEs

Key areas of focus:

1. Law enforcement and border strategies;
2. Policing policy;
3. Public safety interoperability.

Law enforcement and border strategies

The Department's role in the area of law enforcement and border strategies is to provide leadership and strategic policy advice with respect to border security (e.g., marine and transportation security issues) and national law enforcement issues/initiatives (e.g., a national drug strategy).

Major initiatives undertaken in fiscal year 2006-2007, included:

- the Canada-US Cross-Border Crime Forum (CBCF);
- the National Agenda to Combat Organized Crime; and
- DNA Initiatives.

Activity	Expected results and timelines	Progress / Outcomes / Results reported
Portfolio policy development and coordination on border policy issues including the Security and Prosperity Partnership (SPP) of North America, marine security, customs, immigration and trade	• Coordinated, strategic approach for key government initiatives to promote and ensure border security • Effective policy and program analysis in partnership with the Portfolio and other partners to enhance border enforcement operations at and between ports of entry.	• Organized and coordinated Canada's participation at the 9th Canada-US Cross Border Crime Forum (CBCF), which occurred on November 15-16, 2006, in North Carolina. The CBCF brought together four ministers and over 100 senior officials from Canada and the US to address policy and legislative impediments to cross border investigations and prosecutions. Major deliverables at this Forum included joint Canada-US threat assessments on organized crime, human trafficking, and internet fraud; updates on firearms trafficking; and a public advisory on counterfeit checks and money orders. • Managed and developed SPP initiatives related to law enforcement cooperation deliverables in coordination with Portfolio agencies, other government departments and US partners. • Led the development of new strategies, policies, and programs to strengthen law enforcement capacity to deter, detect, and interdict cross-border criminality across all modes of transportation (land, air and marine). • Established core capacity among Portfolio partners to contribute to strategic integrated solutions to increase rail and urban transportation security. Through a number of consultations with police, intelligence personnel, and transit operators across the country, a Portfolio Task Force developed an enhanced regional/national intelligence sharing framework and protocols for the collection, analysis, and sharing of suspicious incidents

		with a link to national security. • Helped inform Canadians and visitors about border and marine security policies, and about initiatives to facilitate the continued smooth flow of legitimate people and goods through the creation of a single Government of Canada SPP portal.
Coordination of policy development, planning and governance support for the National DNA Data Bank and broader DNA policy issues	• Strategic approach to policy development on the National DNA Data Bank; demonstrated leadership for Federal, Provincial and Territorial efforts examining the establishment of a Missing Persons Index • Implementation and governance for F/P/T Biology Casework Analysis Agreements, and review of the Agreements to support their renegotiation	• Completed a review of the legal, administrative and privacy issues, including a business process mapping exercise on the creation of a national DNA Missing Persons Index. Work will continue with F/P/T partners to examine the establishment of a Missing Person Index. • Negotiations are ongoing to establish both short and long-term arrangements for Biology Casework Analysis Agreements.
Policy development/ coordination and information sharing with key government, police and prosecutorial	Enhancement and/or creation of key strategies to combat serious and organized crime – including coordination of, and policy support	• The NCC, composed of Federal/Provincial/Territorial (F/P/T) government officials and representatives from the law enforcement community, met, identified and discussed major issues and national policy priorities related to the problem of organized crime;

stakeholders involved in the fight against serious and organized crime	for, the National Coordinating Committee to Combat Organized Crime (NCC)	advised F/P/T Deputy Ministers on the development, coordination and implementation of policies, legislation and programs aimed at combating organized crime; and encouraged coordination of anti-organized crime activities among various players at the regional and local level. • Created the tacklingcrime.gc.ca and organizedcrime.ca web portals to provide Canadians with easy access to information on each of these issues, to build awareness of the risks and to help reduce victimization. • The summative evaluation of the Measures to Combat Organized Crime (MCOC) initiative found an increase in partnerships at all levels, particularly between the RCMP and the Department of Justice. Additionally, MCOC enhancements included learning activities and the integration of intelligence sharing among many departments, agencies and international police agencies. • Worked with Portfolio agencies and federal partners to identify law enforcement limitations and to enhance illicit drug-related enforcement capacity as part of the supply reduction efforts under the federal government's National Anti-Drug Strategy.

Policing policy

The Department's role in the area of policing policy is to provide strategic independent advice on a variety of policy and management issues of relevance to the RCMP and to support the Minister in his responsibility and accountability for the RCMP. This also includes a strategic focus on international policing, firearms and operational policing policy.

Major initiatives undertaken in fiscal year 2006-2007, include:

- a Strategy to Combat Gun Violence;
- firearms controls;
- increasing RCMP capacity; and
- Protocol on Foreign Criminal Investigators in Canada.

Activity	Expected results and timelines	Progress / Outcomes / Results reported
Support for the Investments to Combat the Criminal Use of Firearms (ICCUF) Initiative, which focuses on improving the national collection, analysis and sharing of firearms-related intelligence	Enhanced criminal intelligence capacity of the RCMP and CBSA for improved criminal investigations, and strategic national assessments of the illegal movement of firearms	• Launched a mid-term evaluation of the ICCUF Initiative, conducted by Government Consulting Services, which was completed in early 2007.
Restoring the effectiveness of RCMP Federal Policing by addressing resource shortfalls and expanding and refurbishing the RCMP Training Academy, to meet increasing demands for RCMP officers	Resolve current resource and capacity gaps, enable the RCMP to keep pace with federal statute requirements and allow better targeting of emerging priorities, such as technologically sophisticated crimes and new crime	• The Government committed $161 million over two years to recruit 1,000 RCMP personnel to restore the integrity of the RCMP Federal Program. $37 million was provided over two years for the expansion of the RCMP Training Academy.

	organizations	
Implementation of effective Canadian Police Arrangement Management Framework, in collaboration with Foreign Affairs and Canadian International Development Agency, to guide and support RCMP involvement in international police peacekeeping missions	Effective management of Canada's police peacekeeping efforts	• Created a permanent program within the RCMP allowing for an appropriate capacity of police officers to deliver international peace operations abroad in support of Canadian foreign policy.

Public safety interoperability

Interoperability is an environment where people, procedures, policies and systems work in a collaborative fashion to share information. This ensures that government organizations can and do share critical information with the right people at the right time, strengthening the ability of these organizations to address threats to the safety and security of Canadians.

The Department developed a framework for enhanced information sharing, including a long-term vision and strategic design to enable a fully coordinated approach to public safety while respecting the privacy of Canadians and the principle of accountability. This work builds on the accomplishments of the Integrated Justice Information initiative, which advanced the delivery of the Canada Public Safety Information Network to improve information sharing among criminal justice and law enforcement agencies.

Activity	Expected results and timelines	Progress / Outcomes / Results reported
Developing a strategic framework for public safety interoperability, including: • Development of a national strategy for interoperable radio communications (amongst first responders) in Canada and with the US; and • Development of an electronic communications system capable of transmitting classified information amongst public safety and security federal	An interoperable information-sharing environment across government addressing issues in the following domains: • criminal justice and law enforcement; • border; • national security and intelligence; and, • public health and first responders This environment will yield an increased ability to fight crime and threats to national security and public health and safety and information	• Continued to advance a vision and strategic design to provide a common approach to interoperability • Work continued to identify elements of a national radio communications strategy to enhance coordination and engagement across the public safety sector, as well as to ensure appropriate technology is being used among first responders. • Created a federal working group with representation from the RCMP, Industry Canada, the Department of National Defence, Canada Border Services Agency and the Communications Research Centre of Canada. • A communications pilot project made significant progress in developing a system capable of carrying classified information (e.g. system design, development of a secure location for the installation and operation of the system).

partners.	sharing for public safety and security across government.	
Creating a centre of excellence for biometrics across the public safety sector	Coordination on biometrics standards, best practices, and domestic/ international policy integration	• Finalized draft project plans in October 2006, and held initial interdepartmental consultations.
Completing a feasibility study on the implementation of an automated air passenger assessment system	Provision of recommendations for the implementation of an efficient and effective air passenger assessment system to assess threats to aviation transportation and national security	• Completed a feasibility study and identification of implementation options for an automated air passenger assessment system. • Completed a privacy impact assessment that describes how provisions outlined in s. 4.82 of the *Aeronautics Act* are to be used to support Transport Canada's Passenger Protect Program.

Community Safety and Partnerships	
Priority	Enhancing community safety and security
Expected result	Public confidence that the Government of Canada's public safety and security regime is responsive, robust and decisive in a national crisis and accommodating in a time of peace.

The work of public safety and security agencies rests on the support and confidence of all Canadians and is intimately tied to issues of accountability, transparency and public trust. That trust cannot be assumed or taken for granted.

In recent years, Public Safety Canada has sought to integrate various areas of community safety, namely crime prevention, based on community projects to address local factors of crime; Aboriginal policing in First Nations communities across Canada; and corrections policy and research to ensure the safe reintegration of offenders in the community. This approach has supported sustainable partnerships between government and communities for greater public safety, tailored to the reality and needs of each community.

Departmental priorities in this area are based on government direction and community needs. Activities are managed in partnership with provinces, territories, municipalities, First Nations and non-governmental organizations involved in public safety. Priorities are further defined by crime trends, known crime risk factors and knowledge of crime prevention, Aboriginal policing and effective practices in corrections.

To achieve the expected result, the Department has been successful in developing and disseminating knowledge on crime prevention; supporting provincial and municipal efforts to address gang-related problems; directing a portion of crime prevention funds to children and youth at risk of coming into conflict with the law; increasing access to policing services for First Nations communities; and developing knowledge and strategies that have improved Canada's corrections system.

2006–2007 Financial Resources (in millions)		
Planned spending	Total authorities	Actual spending
$192,375	$187,719	$157,920

2006–2007 Human Resources	
Planned	Actuals
276 FTEs	260 FTEs

Key areas of focus:
1. The National Crime Prevention Centre;
2. First Nations policing policy; and
3. Effective corrections.

The National Crime Prevention Centre

The National Crime Prevention Strategy (NCPS) provides a policy framework for the implementation of crime prevention interventions in Canada. The National Crime Prevention Centre (NCPC) within Public Safety Canada administers the strategy, and it is jointly managed with provinces and territories.

The NCPC provides national leadership on effective and cost-efficient ways to prevent and reduce crime by addressing known risk factors in high-risk populations and places. In doing so, the NCPC concentrates on two core activities supporting targeted interventions; and building and sharing practical knowledge.

In 2006/07, the NCPC supported 189 new crime prevention initiatives – for a total amount of $23.95 million – in communities across Canada. In addition, a new funding program was created to assist communities that are experiencing youth gang problems. The Youth Gang Prevention Fund provides time-limited funding for anti-gang initiatives in communities where youth gangs are an existing or emerging threat. It supports the development and implementation of tailored interventions aimed at youth who are in gangs or at risk of joining gangs.

Activity	Expected results and timelines	Progress / Outcomes / Results reported
Carefully evaluating the success of projects in reducing crime in particular communities	• Improved evaluation of current practices • Evidence-based policy and program development	• Provided advice, guidance and feedback to project sponsors in the development of their project proposals to ensure that evaluation requirements were being met. • Held evaluation training sessions for stakeholders across the country. • As part of the *Building the Evidence* series, created and published nine evaluation summaries of funded

		projects. • Ten evaluations of multi-year projects funded by the then Crime Prevention Investment Fund were completed. • Funded three new projects with a specific focus on evaluation under the Research and Knowledge Development Fund. • Developed evaluation guidelines for the newly created Youth Gang Prevention Fund to ensure project sponsors develop a rigorous evaluation component in their proposals.
Supporting provincial and municipal efforts to address gang-related problems	• Increase in protective factors against gang activity. • Development and implementation of integrated anti-gang measures and strategies. • Better understanding of the youth-gang phenomenon and strategies to respond to it	• Created the Youth Gang Prevention Fund (YGPF), which provides time-limited funding for anti-gang initiatives in communities where youth gangs are an existing or emerging threat. • Collaborated with provinces and territories in the identification of communities most affected by gang-related problems. As a result, 17 projects and communities in seven provinces (British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, and Nova Scotia) were identified for consideration under the YGPF. • Fifteen YGPF proposals were received under the YGPF. Of those, one is in the developmental stage, 13 are under consideration and one was approved. Furthermore, in 2006-07, two gang-related projects were funded under other NCPC funding programs. • Published the YGPF Guide to assist communities in developing proposals. The Guide includes an overview of the fund, application form and proposal requirements. • Developed two informative

		documents on the state of knowledge and risk factors of youth gangs in Canada, as well as a series of reports on youth gangs and gun violence. • Undertook targeted awareness initiatives to help support the take-up and delivery of the new YGPF.
Directing a portion of crime prevention funds to children and youth at high risk of coming into conflict with the law, in areas of high youth crime	• Targeted funding and tailored programming to the specific needs of children and youth at risk • Situations created where children and youth are provided supportive and accessible alternatives to crime • Potential reduction in local crime rates in the medium to longer term	• Supported 45 crime prevention projects which focused on children and youth at high risk of coming into conflict with the law. • In general, these projects were aimed at reducing early risk with at-risk families and addressing risk factors among high-risk children. Investments in this area increase the resilience of families and communities.
Supporting initiatives that strengthen and increase the capacity of communities to fight and reduce local crime and victimization	• Greater community ownership of public safety issues • Enhanced community capacity to combat crime • Reductions in local crime rates in the medium to long term	• With funding from Public Safety Canada, the Institute for the Prevention of Crime (IPC) initiated work to assist Canadian municipalities target resources and make better use of knowledge and research on effective crime prevention strategies. Current municipalities involved in this process include Vancouver, Edmonton, Calgary, Waterloo, Toronto, Ottawa, Regina, Saskatoon, Winnipeg, Montréal, Québec and St-John.

		• With funding from the NCPC, the International Centre for the Prevention of Crime (ICPC) was able to continue assisting cities and countries to reduce crime through effective and efficient preventative measures. NCPC's support enabled the ICPC to contribute to developing and maintaining a strong base of knowledge related to effective crime prevention from an international perspective.
Directing a portion of crime prevention funds to fighting the problem of drug-related crime	• Assistance to communities most affected by drug-related crime • Strengthened measures to assist individuals afflicted by drug addiction	• The NCPC has committed to reducing crime associated with substance use/abuse by redirecting $20 million over five years from existing funds. This targeted allocation will be used to fund evidence-based interventions starting 2007-08. • Seven projects were assessed for consideration in 2006-07. If approved, these projects will start in 2007-08. • Developed inter-departmental relationships aimed at advancing the federal government's anti-drug efforts. To this end, Public Safety Canada was an active member of an interdepartmental working group on this issue. • In addition, work commenced on the development of a protocol between Public Safety Canada and Health Canada, which will strengthen regional collaboration on the identification and support of co-funded projects. • Developed a report on practical knowledge tools for school-based drug abuse prevention programs.
Facilitating the engagement of all players in the development of	• More comprehensive and thorough assessment of	• With funding from Public Safety Canada, Statistics Canada conducted geocoding of crime data studies in Thunder Bay, Edmonton and

comprehensive and integrated approaches to crime reduction, with a particular emphasis on communities with high crime rates	local crime problems leading to more effective interventions • Sustainable crime reduction initiatives	Halifax. This led to the creation of information on Community Crime Profiles. Furthermore, two reports were released on neighbourhood characteristics and the distribution of crime in the cities of Regina and Montreal • Developed comprehensive and integrated crime reduction initiatives in several jurisdictions. For instance, the Community Accounts Initiative in Newfoundland and Nova Scotia provides communities with access to community safety profiles using various data. • Continuously involved provinces and territories with a view to fostering the development of projects in high crime neighbourhoods. • Supported the work of the Canadian Association of Chiefs of Police to create a coalition of key stakeholders from all sectors contributing to community safety, health and well-being. • Signed a Strategic Framework for Collaboration with Canadian Heritage's Multiculturalism program to develop and implement crime prevention projects adapted to the needs and realities of ethno-cultural/racial youth. • Although it was sunsetted in 2006-07, the Policing, Corrections and Communities Fund supported projects where community partners worked together to prevent crime. The fund was targeted at law enforcement agencies, community corrections groups, Aboriginal communities, community-based organizations and municipalities.

The review of grants and contributions and of the NCPC's strategic direction in 2006-07 resulted in a reduction of crime prevention projects funded in 2006-07 as compared to 2005-06.

In June 2007, the Minister of Public Safety announced new directions for the NCPC to: increase integration with the activities of other programs and services; build on the knowledge of known risk and proactive factors and use evidence-based practices; focus on specific priorities; and obtain measurable results.

First Nations policing policy		
Public Safety Canada works with Aboriginal communities, provincial/territorial governments and other law enforcement partners to implement the First Nations Policing Policy (FNPP). The Policy was developed in 1991 to provide Aboriginal communities with increased, on-site, culturally relevant policing. Under FNPP, Public Safety Canada negotiates, implements, administers and monitors tripartite agreements for First Nations policing services. The First Nations policing services are cost-shared 52% by Canada and 48% by the province/territory.		
Activity	**Expected results and timelines**	**Progress / Outcomes / Results reported**
Enhance public stability in First Nations communities by negotiating culturally appropriate First Nations policing agreements	Increased access to culturally appropriate police services for First Nations communities	• There are currently 158 First Nations Policing Program agreements across Canada (including Self-Administered (SA) and Community Tripartite Agreements (CTAs)) covering 401 communities with a population of 291,387. This is an increase of 13 agreements over the last fiscal year, covering an additional 82 communities. • There are now 1,158 police officers employed, mostly of Aboriginal descent. This is an increase of 158 over the previous fiscal year. • Client surveys done by EKOS indicated that FNPP police provide better response times and coverage than non-FNPP police. As well, surveys indicated that First Nations residents have high levels of satisfaction with FNPP. • Results of the FNPP evaluation completed in 2006 concluded that FNPP remains highly valued and relevant to the safety and security of First Nations communities.
Review and consideration of specific policing options for the territories with	Develop models for policing and public safety in the Territories	• Developed options for policing in the north.

partners		
Develop with partners, a vision to achieve sustainability for First Nations Policing Policy	Modernized First Nations Policing Policy that responds to current demographic, environmental, and political realities with respect to First Nations policing and community needs	• A working group of F/P/T Assistant Deputy Ministers addressed four main sustainability issues for the FNPP – namely, governance and accountability; relationships between First Nations policing services and provincial police services; integration of First Nations policing services with other community services; and application of the FNPP to the Territories. • In addition, to address infrastructure sustainability, an infrastructure plan was developed for each region to bring existing structures to a state of good repair.
Conduct research and policy reviews of Aboriginal public safety options and service delivery alternatives	Development of policy decisions and public safety interventions based on community needs, improved accountability and balanced funding arrangements	• A paper on the Future of Policing was completed. The paper provides details on current policing and policy trends and implications for Aboriginal policing. • A survey by EKOS was completed, which examined public attitudes towards Aboriginal policing as well as on-reserve attitudes towards crime, community safety and policing • The following paper was completed: *Comparative Indigenous Policing Models: Canada, the United States, Australia, and New Zealand.*
Incorporate indicators of community stability and well-being into overall performance measurement strategy	Improved performance indicators reflecting broader community context, resulting in informed policy decisions and resource allocations driven by risk and need	• Draft performance measurement and risk assessment scales were developed and vetted with regional managers. All employees will be expected to attend training in risk management during the next fiscal year, and a final performance measurement and risk assessment will be conducted in 2007-2008. • Letters of Expectation were developed and will be introduced in all Community Tripartite

		Agreements in British Columbia to clarify performance expectations of First Nations in relation to RCMP First Nations policing services. It is expected that such a procedure will be carried out in other regions.
Strengthen professional capacity of Aboriginal policing service providers	Improved management capacity and enhanced service delivery of professional, effective and culturally appropriate policing	• The RCMP Depot exchange program was developed to have two fully trained Aboriginal police officers provide training on culturally appropriate policing at Depot in exchange for dedicated openings for Aboriginal candidates to enter RCMP training. Financial support is provided by the FNPP. • Ongoing training of officers continues to be supported.

Effective corrections		
Public Safety Canada improves public safety through effective corrections by enhancing strategies to support the safe custody and reintegration of offenders through policy advice and proposals for legislative reform. These include strategies focused on high-risk offenders, and on Aboriginal offenders and their communities, as well as innovative restorative justice approaches. In 2006/07, Public Safety Canada developed and supported several corrections policies and legislation that improved Canada's corrections system, as well as developed and disseminated knowledge on effectiveness of correctional measures to inform evidence-based corrections policy. Continued efforts were made to address the over-representation of Aboriginal Canadians in the criminal justice system through coordination and support to community healing projects. Furthermore, the Department contributed to the unfolding of several consultations and conferences in the area of corrections and criminal justice, such as the Annual Corrections Roundtable, and the "What Works" conference on successful community reintegration of high-risk offenders.		
Activity	**Expected results and timelines**	**Progress / Outcomes / Results reported**
Support research, evaluation and policy development that strengthen effective corrections and promote successful reintegration of offenders who are eligible for return to the community	• More successful reintegration of offenders and protection of society against chronic offenders • Canadians gain confidence in a more effective corrections and justice system that is responsive to the needs of victims and the general public	• Provided extensive support to the Department of Justice for legislative proposals put forward by the Government of Canada to amend the Criminal Code. • Completed the Dynamic Supervision Project. This research involved training probation officers from all the provinces and territories in "state-of-the-art" risk assessment technology for the supervision of sex offenders in the community. This technology facilitates the supervision and treatment of high-risk sexual offenders, thereby enhancing public safety. The Strategic Training Initiative in Community Supervision evaluated training for probation officers from British Columbia, Saskatchewan and Prince Edward Island on specific cognitive-behavioural skills to assist in supervising probationers.

		• Completed and published an evaluation of the National Flagging System (NFS). The NFS identifies high-risk offenders who may be targeted for a Dangerous Offender application should they re-offend. The evaluation found that the NFS was targeting the appropriate offenders. • The Department undertook a literature review on risk factors among Aboriginal offenders. A report was published, informing practitioners and researchers on the validity of present day risk assessments and how to improve them for use with Aboriginal offenders. • In preparation for the dissolution of the British Columbia (BC) Board of Parole on April 1st, 2007, the Department led a working group on the transition of provincial offenders to the National Parole Board and a working group on the transition of victims of provincial offenders from BC correctional authorities to federal correctional authorities. • The National Office for Victims supported the preparation of the Justice-led initiative for the implementation of the Federal Strategy for Victims of Crime.
Develop, implement, review and evaluate measures targeting high-risk offenders	• Focused and firm responses to serious and violent offences • Better control and treatment of sex offenders will lead to improvements in community	• F/P/T working groups continued to address issues respecting chronic, high-risk, violent and sexual offenders. Their advice is regularly provided to ministers responsible for justice. • Supported legislation to refine and extend the Sex Offender Information Registry and include offenders who are the responsibility of the Department of National Defence.

	safety	
Address over-representation of Aboriginal Canadians in the criminal justice system through the development of culturally relevant healing models of justice and corrections in Aboriginal communities	• Increased community capacity to work with victims, offenders and families through dissemination of knowledge gained through pilot projects in Aboriginal communities • Coordinated federal support for community healing through the Assistant Deputy Minister Steering Committee on Community Stability and Wellness and other venues • Publication of research and technical reports on issues relating to Aboriginal people and corrections and criminal justice	• Published and distributed two "Getting Out" handbooks. These handbooks provide resources for Aboriginal offenders being released to urban communities in Quebec and Ontario. The Department also published and distributed a spousal abuse counselling manual targeted for Inuit victims and offenders. • Participated on and co-ordinated the activities of interdepartmental committees, such as the Labrador Innu Comprehensive Healing Strategy and the Assistant Deputy Minister Steering Committee on Community Stability and Wellness. • Published the following two reports: *A Matter of Faith: A Gathering of Aboriginal Christians*, which discussed community healing processes within an Aboriginal Christian context, and *An Investigation into the Formation and Recruitment Processes of Aboriginal Gangs in Western Canada.*

Management Priorities

This section provides detailed performance information on the Department's management priorities. Resources associated with management priorities are integrated into the planned spending for the three program activities discussed in this report.

To support the delivery of its three program priorities, the Department identified the following key areas of focus:

1. Effective and efficient Portfolio leadership through the provision of strategic direction, policy advice and strategic communications; and
2. Improved accountability and stewardship through:
    a. integration of human resource planning with departmental business planning;
    b. development of a strategic planning and performance measurement capacity;
    c. development of an Information Management/Information Technology Strategic Plan; and
    d. development of an integrated risk management framework.

1. Effective and efficient Portfolio leadership

Integral to its mandate, the Department plays a vital role in effective policy coordination and communication across the Portfolio. Effective and efficient Portfolio leadership is key to developing well-founded advice and making evidence-based information available to decision-makers.

Activities	Expected results and timelines	Progress / Outcomes / Results reported
Increase capacity for thorough policy consideration and development	Increased scope and depth in the policy development process, linking public safety strategies more closely to broad federal direction and to key strategic partners, leading to better-informed decision-making	• The Department has committed to increasing coordinated input and response to cross-cutting policy issues and initiatives from other government departments. For example, the Department coordinated the Portfolio's input to Transport Canada's Security Action Plan. The Department also increased its participation on numerous

		working groups, including those at Citizenship and Immigration Canada (CIC), the Privy Council Office (PCO) and Transport Canada. • A new Policy Committee was created as part of the governance structure within the Department. This ADM-level committee will form a crucial challenge-point in the policy development process for all initiatives within the Department. It will provide an opportunity for all branches to provide input to policies, and ensure a coordinated approach at all stages in the development process, from concept to Cabinet presentation.
Develop a research capacity for public safety issues		• The Department Research Committee was expanded to include representation from Portfolio agencies, which provided the opportunity for all to benefit from in-house and contracted research, as well as sharing best practices on information management and dissemination. • Public Safety Canada also coordinated the Portfolio's involvement in, and financial support for, several academic conferences and research initiatives, such as the Metropolis government-wide research project, and the Conference Board of Canada's Centre for National Security. • In addition, efficient and effective coordination of the Department's input to a

		variety of government-wide research initiatives has continued, including the Policy Research Data Gaps initiative, Statistics Canada's Canadian Centre for Justice Statistics, and the General Social Survey. This work was supported by increased staffing levels, which allowed Public Safety Canada to fulfill its expanded research mandate.
Create a network of public, pan-governmental representatives, academics and NGOs on public safety issues.		• Relationships were established with key researchers and organizations involved in national security, emergency management and horizontal governance issues related to the mandate of the Department. In particular, by leading departmental input into the Metropolis research initiative, the Department further expanded its existing relationships with non-governmental organizations, and private and government representatives at all levels.
Engage Canadians in greater dialogue around issues of public safety and security, in particular through the Cross-Cultural Roundtable on Security.		• The Cross-Cultural Roundtable on Security continued to provide valuable insight into issues of relevance to the Department and to its Portfolio agencies, such as emergency management infrastructure, and marine and port security. • Regional symposia were held in four cities across Canada (Montreal, Toronto, Calgary and Vancouver) to explore with community leaders the role of Canadian communities in national

		security. The dialogue between government officials, representatives of the Cross-Cultural Roundtable on Security and community leaders at these symposia, was a positive step forward and a learning opportunity for both participants and government officials. • The Department supported the Minister in over 100 media events aimed at raising awareness of changes to public safety laws, programs or initiatives or to reinforce awareness of actions taken to meet the Department's mandate. The Department also expanded the number of websites it manages from six to ten, including the addition of information portals to help Canadian easily locate information pertaining to public safety issues.

2. Improved accountability and stewardship through:

a) Integration of human resource planning with departmental business planning

The integration of HR planning with departmental business planning is a component of the *Public Service Modernization Act* and a key priority of the Public Service Renewal agenda of the Clerk of the Privy Council. The Department has started and will continue to develop a comprehensive information base that will support the integration of HR to its strategic and business planning processes. This will allow the Department to make strategic decisions and allocate resources based on an integrated planning framework.

Over the course of the planning cycle, the Human Resources Directorate focused on five specific activities to accomplish its goals:

Activities	Expected results and timelines	Progress / Outcomes / Results reported
Conduct a complete workforce analysis of the Department;	Effective alignment of the Department's human resources with business planning to ensure that informed decisions are made and resources are appropriately targeted and optimized to achieve agreed outcomes	• Developed workforce demographics that will be used for business planning.
Implement the new Treasury Board Learning, Training and Development Policy throughout the Department;		• Implemented Treasury Board's Learning, Training and Development policy throughout the Department. 97% of existing managers and executives completed their on-line validation. Processes are in place to ensure that new employees, supervisors, managers and executives are identified and registered with the Canada School of Public Service for their required training.
Implement and deliver the training on sub-delegation for managers under the new Public Service Employment Act;		• Delivered staffing sub-delegation training courses to senior management.

Develop and implement a departmental employment equity plan; and		• Developed a departmental employment equity plan. Completed related consultations. Some elements of the plan were implemented such as the review and improvement of the self-identification process. Work will continue over the next fiscal year.
Development of departmental policies to further support the *Public Service Modernization Act* implementation.		• Amended the Area of Selection Criteria for non-advertised and staffing sub-delegation policies so that they aligned with the Public Service of Canada appointment framework and to better suit the needs of the Department. These policies were implemented. • Developed three new departmental policies related to acting appointment, term appointment and casual employment.

2. Improved accountability and stewardship through:

b) Development of a strategic planning and performance measurement capacity

Effective strategic planning and performance measurement is key to demonstrating sound stewardship and accountability for the resources provided to the Department to fulfill its mandate.

A Strategic Planning and Performance Measurement Framework will be developed in consultation with Portfolio agencies to establish a consistent and comprehensive approach to the establishment, monitoring and reporting of performance against strategic priorities. Efforts to establish this framework included:

Activities	Expected results and timelines	Progress / Outcomes / Results reported
Establishing and communicating	More effective planning and reporting tools to	• Initiated changes to the business model for the

common priorities and performance measures;	support increased transparency and accountability with regard to the use of resources allocated to the Department's key activities.	coordination and delivery of the Strategic Planning and Reporting functions at Public Safety. A new approach to planning and reporting will be implemented over fiscal years 2007-08 and 2008-09.
Meeting the requirements of the Treasury Board's Management Resources and Results Structure Policy; and		• Increased departmental Strategic Planning capacity to meet the requirements of the Management Resources and Results Structure Policy, by the end of fiscal year 2007-08.
Assessing the program activity architecture against which the Department receives its funding to ensure planned resource allocations are linked to the key activities and outcomes expected.		• Assessed the departmental Program Activity Architecture and determined that a new architecture was required. As such, work will be initiated at the beginning of fiscal year 2007-08 and a new Program Activity Architecture will be submitted to the Treasury Board by the end of the first quarter of fiscal year 2007-08.

2. Improved accountability and stewardship through
c) Development of an Information Management/Information Technology Strategic Plan
The development of an IM/IT Strategic Plan is the roadmap for the design and delivery of IM/IT services to the Department. The Plan provides a mechanism whereby IM/IT policies are tracked, updated and disseminated and compliance with government-wide standards, such as the Management of IT Security (MITS) requirements is measured. The existence of the IM/IT Strategic Plan is considered one of the strengths of the Management Accountability Framework (MAF) Stewardship evaluation and it will guide the future development of a strategy for valuing IT assets.

An IM/IT Advisory Committee (Director General-level) has been established that will provide the governance framework for IM/IT strategic decision-making within PS. The Committee addressed the following priorities:		
Plans	Expected results and timelines	Progress / Outcomes / Results reported
Streamline IT procurement and life cycle management within Public Safety Canada;	Effective management and resourcing of IM/IT-enabled projects through a governance structure that includes program and regional representation and sets priorities for IM/IT investments. The department will develop and implement key Government of Canada policies, such as the Management of Government Information (MGI) and Management of IT Security (MITS)	• Established an IM/IT Advisory Committee and regular meetings are being held. • Implemented a centralized procurement and life cycle management model for standard desktop PCs and corporate printers. • Made improvements to the inventory control system to better track computer assets within the Department.
Update the IT Security Policy and work towards compliance with the MITS standard; and		• Developed a departmental IM/IT Security Policy. • Made progress in responding to Treasury Board priorities, with the approval and funding of a project to create an IM/IT Security program for the Department, and to address risks and vulnerabilities in critical systems and services.
Implement the revised TBS Management of Government Information (MGI) policy.		• Implemented the departmental IM policy, including the following support activities: o approved a Records Management Policy that supports the life cycle management of records; o developed a records disposition guidelines; o published an IM Handbook; and o launched an IM intranet site.

2. Improved accountability and stewardship through:		
d) Development of an integrated risk management framework		
Risk management is an essential ingredient of public sector operation and corporate governance. As such, it should be integrated into all strategic and business planning, policy development, program management and decision-making, as well as monitoring and reporting activities. While risks cannot be prevented or avoided completely, they can be mitigated through the implementation of a well-developed integrated risk management strategy. Over the three-year planning period, an integrated risk management framework was initiated in order to set out a consistent and comprehensive approach to risk management that is integrated with departmental planning, decision-making, monitoring and reporting activities		
Activity	Expected results and timelines	Progress / Outcomes / Results reported
Establish a common risk language department-wide;	Risks are identified, analyzed, prioritized and communicated to ensure that informed decisions are made, and resources are appropriately targeted and optimized to manage risks and achieve desired outcomes	• As part of the new organizational structure for the coordination and delivery of the Strategic Planning and Reporting function, created a new Corporate Risk function and initiated the development and implementation of a departmental Integrated Risk Management policy.
Ensure that all significant decisions are supported by systematic, integrated and continuous risk assessments which are annually documented in a Corporate Risk Profile that is communicated throughout the Department to		• In 2006-07, one Branch completed its risk profile and other Branches initiated preparatory work. An Integrated Risk Management approach will be implemented over the next fiscal year.

foster an open dialogue on risks; and		
Promote an environment in which employees can be innovative while applying due diligence in protecting the public interest and maintaining the public trust.		• A new governance structure for Planning, Reporting and Risk Management will be established in 2007-08 to create an environment that encourages the free flow of information within the Department and its Portfolio agencies.

SECTION III: SUPPLEMENTARY INFORMATION

Organizational Information

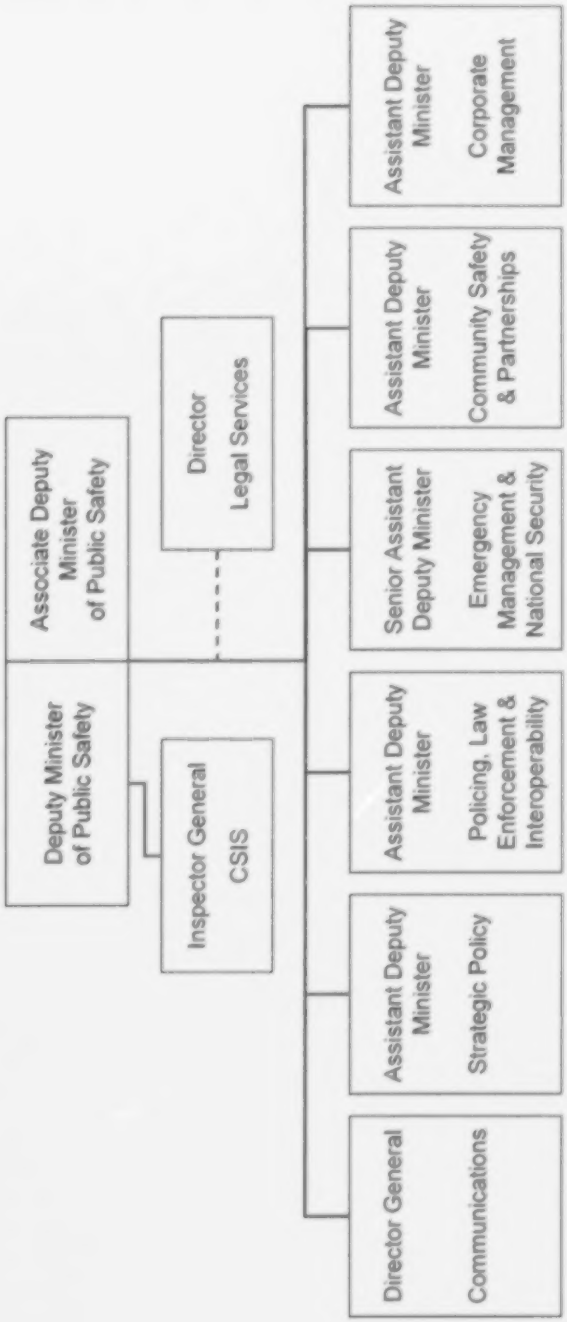

Deputy Minister of Public Safety
Associate Deputy Minister of Public Safety
Director Legal Services
Inspector General CSIS
Director General Communications
Assistant Deputy Minister Strategic Policy
Assistant Deputy Minister Policing, Law Enforcement & Interoperability
Senior Assistant Deputy Minister Emergency Management & National Security
Assistant Deputy Minister Community Safety & Partnerships
Assistant Deputy Minister Corporate Management

Table 1: Comparison of Planned to Actual Spending (including Full-time Equivalents)

Comparison of Planned to Actual Spending (in millions)	2004–2005	2005–2006	2006–2007			
	Actual	Actual	Main Estimates	Planned Spending	Total Authorities	Actual
Emergency Management and National Security	154,300	184,872	234,981	267,013	244,782	108,918
Policing and Law Enforcement	43,500	44,601	38,289	38,717	35,030	33,615
Community Safety and Partnerships	167,500	140,249	184,822	192,375	187,719	157,920
Total	**365,300**	**369,722**	**458,092**	**498,105**	**467,531**	**300,453**
Plus: Cost of services received without charge	11,900	12,900	N/A	12,955	N/A	13,514
Total Departmental Spending	**377,200**	**382,622**	**458,092**	**511,060**	**467,531**	**313,967**
Full-time Equivalents	808	810	N/A	999	870	825

The variance between the Main Estimates ($458M) and the Planned Spending ($498M) is mainly due to the funds approved from the fiscal framework for the departmental Core Emergency Management Capacity ($31M) and the creation of the Youth Gang Fund ($7.5M). Only a portion of the funding for these two initiatives was requested in the 2006-2007 Supplementary Estimates, which explains the variance between the planned spending and the total authorities.

Actual spending ($300.4M) is lower than the authorities by $167M due to the Disaster Financial Assistance Arrangement (DFAA) program ($128M), the review of grants and contributions of the National Crime Prevention Centre and of its strategic direction ($27M), and a lapse in the Department's Operating Budget ($7M).

The decrease in the actual spending trend ($69M between 2005-2006 and 2006-2007) is also due to reduced claims under the Disaster Financial Assistant Arrangements contribution program and the reduction in transfer payments in support of the Safer Communities Initiative, which are offset by higher payments in 2006-2007 to RCMP for the First Nations Policing Program.

Table 2: Resources by Program Activity

2006-2007 Resources by Program Activity (in millions)				
Program Activity	**Operating**	**Grants**	**Contributions**	**Total**
Emergency Management and National Security				
Main Estimates	64,979	654	169,348	234,981
Planned Spending	97,011	654	169,348	267,013
Total Authorities	72,434	654	171,694	244,782
Actual Spending	66,544	590	41,783	108,917
Policing and Law Enforcement				
Main Estimates	37,314		975	38,289
Planned Spending	37,742		975	38,717
Total Authorities	32,970		2,060	35,030
Actual Spending	31,682		1,932	33,614
Community Safety and Partnerships				
Main Estimates	57,126	21,256	106,440	190,954
Planned Spending	58,547	21,256	112,572	192,375
Total Authorities	70,447	21,256	96,016	187,719
Actual Spending	70,283	5,988	81,649	157,920
Total				
Main Estimates	**159,419**	**21,910**	**282,895**	**464,224**
Planned Spending	**193,300**	**21,910**	**282,895**	**498,105**
Total Authorities	**175,851**	**21,910**	**269,770**	**467,531**
Actual Spending	**168,509**	**6,579**	**125,365**	**300,451**

Table 3: Voted and Statutory Items

2006-2007 Voted and Statutory Items (in millions)					
Vote or Statutory Item	**Vote or Statutory Wording**	**Main Estimates**	**Planned Spending**	**Total Authorities**	**Total Actuals**
Vote 1	Operating expenditures	147,890	181,771	165,546	158,205
Vote 5	Grants and contributions	298,673	304,805	291,680	131,944
Statutory	Minister of PS - Salary and motor car allowance	73	73	76	76
Statutory	Contributions to employee benefit plans	11,456	11,456	10,229	10,229
	Total	**458,092**	**498,105**	**467,531**	**300,453**

Vote 1 – Operating expenditures
It was expected that the Planned Spending in Vote 1 would increase by $34M from the Main Estimates mainly as a result of the funds identified in the fiscal framework to further the Core Emergency Management Capacity of the department ($32M). Due to the late approval of these funds only a portion ($10M) was requested in Public Safety Authority and an even lesser amount ($7M) was spent.

Vote 5 – Grants and contributions
The variance ($160M) between the authorities to actual spending is mainly due to the reduced number of claims received under the DFAA contribution program and the review of grants and contributions of the NCPC and of its strategic directions.

Table 4: Services Received Without Charge

Services Received Without Charge	2006–2007 Actual Spending (in millions)
Accommodation provided by Public Works and Government Services Canada	7,680
Contributions covering the employer's share of employees' insurance premiums and expenditures paid by the Treasury Board of Canada Secretariat (excluding revolving funds)	4,907
Worker's compensation coverage provided by Human Resources and social Development Canada	8
Salary and associated expenditures of legal services provided by the Department of Justice Canada	918
Total 2006–07 Services received without charge	**13,513**

Table 5: Resource Requirements by Branch

2006-2007 Resource Requirements by Branch (in millions)				
	Emergency Management and National Security	**Policing, Law Enforcement and Interoperability**	**Community Safety and Partnerships**	**Total**
Emergency Management and National Security				
Planned Spending	245,272			245,272
Actual Spending	80,254			80,254
IG-CSIS				
Planned Spending	1,040			1,040
Actual Spending	1,206			1,206
Policing and Law Enforcement				
Planned Spending		31,537		31,537
Actual Spending		25,378		25,378
Community Safety and Partnerships				
Planned Spending			177,185	177,185
Actual Spending			138,700	138,700
Corporate Management				
Planned Spending	9,844	3,555	7,317	20,716
Actual Spending	16,646	4,994	11,652	33,292
Strategic Policy				
Planned Spending	4,754	1,908	3,857	10,519
Actual Spending	4,006	1,202	2,804	8,012
Communications				
Planned Spending	4,234	1,155	2,708	8,097
Actual Spending	4,892	1,468	3,425	9,785
Executive				
Planned Spending	1,869	562	1,308	3,739
Actual Spending	1,913	574	1,339	3,826
Total Planned Spending	**267,013**	**38,717**	**192,375**	**498,105**
Total Actual Spending	**108,918**	**33,615**	**157,920**	**300,453**

The Emergency Management and National Security Branch decrease of $165 million between planned and actual spending is mostly due to the capacity of the Department to spend the money earmarked for the Core Emergency Management Capacity initiatives in a very short period of time and the Disaster Financial Assistance Arrangements (DFAA) program for which the amount of claims received was less than expected.

Under the Community Safety and Partnerships Branch, the $40 million decrease between planned and actual spending is largely due to the review of grants and contributions of the NCPC and of its strategic direction.

The Corporate Management increase of $13M between planned and actual spending is mainly due to the funds approved under the Core Emergency Management Capacity Initiative for Corporate support services and other departmental priority initiatives, such as the cost of relocating the Department's Headquarters, for which funds were reallocated internally.

Table 6: *User Fees Act*

A. *User Fee*	Fee Type	Fee Setting Authority	Date Last Modified	2006-2007			Planning Years				
				Forecast Revenue ($000)	Actual Revenue ($000)	Full Cost ($000)	Performance Standard	Performance Results	Fiscal Year	Forecast Revenue ($000)	Estimated Full Cost ($000)
Fees charged for the processing of access requests filed under the *Access to Information Act (ATIA)*	Other products and services (O)	*Access to Information Act*	1992	1, 5	1, 8	520	Response provided within 30 days following receipt of request; the response time may be extended pursuant to section 9 of the *ATIA*. Notice of extension to be sent within 30 days after receipt of request. The *Access to Information Act* provides fuller details: http://laws.justice.gc.ca/en/A-1/index.html.	62% of requests were processed within the legislated timeframe.	2007-08	2	700
									2008-09	2	600
									2009-10	2	600
B. Date Last Modified: N/A											
C. Other Information: Access to information requests increased by 33% from 2006-07.											

Table 7: Details on Transfer Payments Programs

($ 000s)	Actual Spending 2004-2005	Actual Spending 2005-2006	Planned Spending 2006-2007	Total Authorities 2006-2007	Actual Spending 2006-2007	Variance (planned spending vs. actual)
Grants						
Emergency Management and National Security						
Joint infrastructure interdependencies research program	500	500	500	500	494	6
Public Safety and Emergency Preparedness research fellowship program	54	144	154	154	96	58
Sub-total	554	644	654	654	591	64
Community Safety and Partnership						
John Howard Society	510	510	510	510	510	-
Canadian Association of Elizabeth Fry societies	452	452	452	452	452	-
Other national voluntary organizations activities in the criminal justice sector	835	835	835	835	788	47
Grants in support of the Safer Communities Initiative	35,344	18,825	19,460	19,460	4,239	15,221
Sub-total	37,140	20,621	21,256	21,256	5,989	15,268
Total Grants	**37,694**	**21,266**	**21,910**	**21,910**	**6,579**	**15,331**
Contributions						
Emergency Management and National Security						
Payments to the provinces, territories, public and private bodies in support of activities complementary to those of the Minister	194	185	652	877	263	389
Contribution to provinces and municipalities Pursuant to *Emergency Preparedness Act*	7,725	8,342	8,471	8,471	8,149	322
Support for the construction of memorials to the victims of Air India Bombing				350	300	(300)
Financial assistance to the provinces of Quebec and Ontario for the repatriation of Canadians from Lebanon				1,996	1,392	(1,392)
Contribution to provinces of Assistance Related to Natural Disasters	100,057	125,348	160,000	160,000	31,679	128,321

	Sub-total	107,977	133,875	169,123	171,694	41,783	127,340
Policing, Law Enforcement and Interoperability							
	Payments to the provinces, territories, public and private bodies in support of activities complementary to those of the Minister	2,217	2,043	975	1,110	982	(7)
	Payments to the provinces, territories, municipalities Indian band council and recognized authorities representing Indian communities for the First Nations Policing Program.			951	950	950	1
	Sub-total	2,217	2,043	1,926	2,060	1,932	(6)
Community Safety and Partnerships							
	Payments to the provinces, territories, municipalities Indian band council and recognized authorities representing Indian communities for the First Nations Policing Program.	62,883	67,007	77,006	68,632	65,097	11,909
	Contributions in support of the safer Communities Initiative	9,832	11,530	27,983	23,625	15,804	12,179
	Funding for the prevention of youth involvement in gangs			6,132	2,832		6,132
	Payments to the provinces, territories, public and private bodies in support of activities complementary to those of the Minister	387	922	725	927	749	(24)
	Sub-total	73,103	79,459	111,846	96,016	81,649	30,196
	Total contributions	**183,296**	**215,377**	**282,895**	**269,770**	**125,365**	**157,530**
Total grants and contributions		**220,991**	**236,642**	**304,805**	**291,680**	**131,944**	**172,861**

The variance of $172.9M between Planned and Actual Spending in the Transfer Payments Programs is mainly due to:

- The reduction in the amounts of claims received under the DFAA contribution program;
- The review of grants and contributions of the NCPC and of its strategic direction; and
- The transfer to Vote 1 (operating expenditures) for payments under the First Nations Policing Program.

Note: further information on these transfer payment programs can be found at http://www.tbs-sct.gc.ca/est-pre/estime.asp

Table 8: Sustainable Development Strategy

Public Safety Canada
In the Report on Plans and Priorities for 2006-2007, the Department committed to assessing the previous 2003-2006 Sustainable Development Strategy (SDS) and developing a new three year Strategy. The new SDS will incorporate lessons learned from the previous period's sustainable development strategy and focus on the Department's capacity to incorporate sustainable development into its programs and activities. A commitment to developing an integrated approach to planning and decision-making, sensitive to sustainable development goals and results, was a key element of the Department's plans. A new Sustainable Development Strategy (SDS) was developed for the Department and covers the period of 2007-2009, thus aligning the Department to the same three year planning cycle as other departments. The Strategy includes a broader focus on activities that strengthen PS's role in supporting the sustainability of communities, such as Emergency Management activities, and programs associated with the National Crime Prevention Strategy. For green operations, the Department will continue to focus on training, awareness, waste, and greenhouse gas reduction, and activities where it can achieve the greatest positive environmental impact. Access to department-wide planning and policy governance fora, and the allocation of modest dedicated resources to the implementation of the SDS, will help ensure that challenges in collecting performance data, maintaining on-going communications and focus, and developing useful internal progress reporting, are addressed and support the culture change sought as a longer-term objective.

SECTION IV: OTHER ITEMS OF INTEREST

2006-07 Financial Statements

Statement of Management Responsibility (unaudited)

Public Safety and Emergency Preparedness Canada

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2007 and all information contained in these statements rests with departmental management. These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the department's financial transactions. Financial information submitted to the Public Accounts of Canada and included in the department's Departmental Performance Report is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the Financial Administration Act, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the department.

The financial statements of the department have not been audited.

S Hurtubise

Suzanne Hurtubise
Deputy Minister

Date August 8, 2007

Elisabeth Nadeau
Assistant Deputy Minister,
Corporate Management Branch

Senior Financial Officer

Date August 8, 2007

Statement of Financial Position (unaudited)

Public Safety and Emergency Preparedness Canada

As at March 31 (in dollars)	**2007**	2006
Assets		
Financial assets		
Accounts receivable and advances (Note 5)	**3,302,783**	3,741,502
Non-financial assets		
Tangible capital assets (Note 6)	**15,443,604**	1,676,811
Total Assets	**18,746,387**	5,418,313
Liabilities and Equity of Canada		
Liabilities		
Disaster financial assistance (Note 10)	**575,525,839**	559,390,034
Accounts payable and accrued liabilities	**77,247,783**	65,940,428
Employee severance benefits (Note 7 (b))	**11,445,931**	10,329,989
Vacation pay and compensatory leave	**4,195,718**	3,887,138
Joint research and development project	**2,048,335**	3,242,931
Total Liabilities	**670,463,606**	642,790,521
Equity of Canada	**(651,717,219)**	(637,372,208)
TOTAL LIABILITIES AND EQUITY	**18,746,387**	5,418,313

There are no contingent liabilities or contractual obligations

The accompanying notes form an integral part of these financial statements

Statement of Equity (unaudited)

Public Safety and Emergency Preparedness Canada

For the Year ended March 31 (in dollars)	2007	2006
Equity of Canada, beginning of year	**(637,372,208)**	(637,504,641)
Net cost of operations	**(306,874,502)**	(409,814,050)
Current year appropriations used (Note 3 (a))	**300,452,729**	369,723,187
Revenue not available for spending (Note 3 (b))	**(35,332)**	(15,534)
Change in net position in the Consolidated Revenue Fund (Note 3 (c))	**(21,400,929)**	27,368,998
Services received without charge from other government departments (Note 8)	**13,513,023**	12,869,832
Equity of Canada, end of year	**(651,717,219)**	(637,372,208)

The accompanying notes form an integral part of these financial statements

Statement of Operations (unaudited)

Public Safety and Emergency Preparedness Canada

For the Year ended March 31 (in dollars)	2007				2006
	Community Safety and Partnerships	Emergency Management and National Security	Policing and Law Enforcement	Total	Total
Expenses					See note 11
Transfer payments (Note 4)	85,112,116	56,297,523	1,834,836	143,244,475	263,745,048
	25,177,852	38,225,865	14,584,918	77,988,635	75,812,987
Operating expenses	34,122,110	8,232,740	(1,118,331)	41,236,519	38,777,964
Salaries and employee benefits	399,896	667,351	10,320,928	11,388,175	5,250,561
	3,693,347	5,041,526	1,490,688	10,225,561	7,944,026
Professional and special services	1,704,851	3,410,553	449,718	5,565,122	5,600,013
	838,564	4,217,661	318,818	5,375,042	4,842,920
	1,704,126	2,283,318	791,686	4,779,130	1,632,214
Equipment rentals	982,693	1,859,904	382,217	3,224,814	3,287,904
	379,781	1,034,341	150,172	1,564,294	1,260,258
Accommodation	373,219	1,045,421	127,892	1,546,532	1,144,117
Travel and relocation	222,546	450,724	98,265	771,535	531,572
Equipment					
Information					
Communication					
Repairs					
Utilities, material and supplies					

Amortization					
Total Operating expenses	**69,598,985**	**66,469,404**	**27,596,971**	**163,665,359**	146,084,536
Total Expenses	**154,711,101**	**122,766,927**	**29,431,807**	**306,909,834**	409,829,584

Revenues

Other revenues	**11,777**	**11,777**	**11,777**	**35,332**	15,534
Net Cost of Operations	**154,699,324**	**122,755,150**	**29,420,029**	**306,874,502**	409,814,050

The expenses related to professional and special services for Policing and Law Enforcement in 2006-07 were $3,807,911; However reductions made to previous years' payables at year-end (PAYE), based on the latest information available, result in the presentation of a negative amount of $1,118,331. The main PAYE reductions are in relation to the 2001-02 Summit of Americas ($3,657,666) and the 2004-05 visit of the President of the United States ($1,024,226).

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flow (unaudited)

Public Safety and Emergency Preparedness Canada

For the Year ended March 31	2006	2007
(in dollars)		
Operating activities		
Net Cost of Operations	**306,874,502**	409,814,051
Non-cash items:		
Services received without charge from other government departments (Note 11)	**(13,513,023)**	(12,869,833)
Amortization of tangible capital assets (Note 6)	**(771,535)**	(531,572)
Variations in Statement of Financial Position:		
Increase (decrease) in accounts receivable and advances	**(438,719)**	1,377,359
Decrease (increase) in liabilities	**(27,673,086)**	(931,319)
Cash used by operating activities	**264,478,139**	396,858,686
Capital investment activities		
Acquisitions of tangible capital assets (Note 6)	**14,519,307**	205,514
Asset transferred in without charge (Note 6)	**19,021**	-
Adjustments	-	12,451
Cash used by capital investment activities	**14,538,328**	217,965
Financing activities		
Net cash provided by Government of Canada	**(279,016,467)**	(397,076,651)

The accompanying notes form an integral part of these financial statements

Notes to the Financial Statements (unaudited)

Public Safety and Emergency Preparedness Canada

1. Authority and objectives

The Department of Public Safety and Emergency Preparedness Canada (PSEPC) was created in 2003 to ensure coordination across all federal departments and agencies responsible for national security and the safety of Canadians. The department operates under the Department of Public Safety and Emergency Preparedness Act (2005, c.10) that received Royal assent on March 23, 2005.

PSEPC contributes to the public safety of Canadians through the promotion and maintenance of a just, peaceful and safe society; it has three main core activities:

- ✓ Community Safety and Partnerships: providing national public safety leadership, protecting the security of Canadians, enhancing the role of Canadians in community safety and security;
- ✓ Emergency Management and National Security: delivering a broad range of national emergency preparedness, and critical infrastructure protection; and
- ✓ Policing and Law Enforcement: providing leadership and strategic policy advice with respect to policing policy and public safety interoperability.

2. Significant accounting policies

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Significant accounting policies are as follows:

(a) Parliamentary appropriations
PSEPC is financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to the department do not parallel financial reporting according to generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high-level reconciliation between the bases of reporting.

(b) Net Cash Provided by Government
PSEPC operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the department is deposited to the CRF and all cash disbursements made by the department are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.

2. Significant accounting policies (continued)

(c) Change in net position in the Consolidated Revenue Fund

The change in net position in the Consolidated Revenue Fund is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non respendable revenue recorded by the department. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

(d) Revenues

Revenues are accounted for in the period in which the underlying transaction or event occurred that gave rise to the revenues. Revenues include access to information program (ATIP) fees, employees' parking fees etc.

(e) Expenses

Expenses are recorded on the accrual basis:

- ✓ Grants are recognized in the year in which the conditions for payment are met. In the case of grants which do not form part of an existing program, the expense is recognized when the Government announces a decision to make a non-recurring transfer, provided the enabling legislation or authorization for payment receives parliamentary approval prior to the completion of the financial statements;
- ✓ Contributions are recognized in the year in which the recipient has met the eligibility criteria or fulfilled the terms of a contractual transfer agreement;
- ✓ Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.
- ✓ Services provided without charge by other government departments for accommodation, the employer's contribution to the health and dental insurance plans and legal services are recorded as operating expenses at their estimated cost.

(f) Employee future benefits

Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. The department's contributions to the Plan are charged to expenses in the year incurred and represent the total departmental obligation to the Plan. Current legislation does not require the department to make contributions for any actuarial deficiencies of the Plan.

Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

2. Significant accounting policies (continued)

(g) Receivables
Accounts receivables are stated at amounts expected to be ultimately realized; a provision is made for receivables where recovery is considered uncertain.

(h) Tangible capital assets
All tangible capital assets and leasehold improvements having an initial cost of $10,000 or more are recorded at their acquisition cost. The department does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value, assets located on Indian Reserves and museum collections.

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset as follows:

Asset Class	Amortization Period
Informatics hardware	4 years
Informatics software	3 years
Motor Vehicles	3 years
Leasehold improvements	remaining term of the lease or useful life of the improvement

(i) Measurement uncertainty
The preparation of these financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

Public Safety and Emergency Preparedness Canada

3. Parliamentary appropriations

PSEPC receives its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, PSEPC has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

(a) Reconciliation of net cost of operations to current year appropriations used:

(in dollars)	2007	2006
Net cost of operations	**306,874,502**	409,814,051
Adjustments for items affecting net cost of operations but not affecting appropriations:		
Add (Less):	**(16,135,805)**	(30,280,864)
Accruals for disaster financial assistance	**(13,513,023)**	(12,869,833)
Services received without charge from other government departments	**(1,115,942)**	(1,588,850)
Employee Severance Benefits	**11,433,518**	8,159,705
Refunds/adjustments to previous years expenses	**(308,580)**	(2,400,661)
Vacation pay and compensatory leave	**(565,045)**	(737,996)
Reduction for amounts paid to Justice Canada not affecting	**(771,535)**	(531,572)
appropriation	**35,332**	15,534
Amortization of tangible capital assets	-	(61,841)
Revenue not available for spending		
Other		
	(20,941,080)	(40,296,378)
Adjustments for items not affecting net cost of operations but affecting appropriation:		
Add (Less):	**14,519,307**	205,514
Acquisitions of tangible capital assets		
	14,519,307	205,514
Current year appropriations used	**300,452,729**	369,723,187

Notes to the Financial Statements (unaudited)

Public Safety and Emergency Preparedness Canada

3. Parliamentary appropriations (continued)

(b) Appropriations provided and used:

(in dollars)	2007	2006
Operating expenditures - Vote 1	**147,890,000**	85,968,000
Grants & Contributions - Vote 5	**298,673,000**	335,437,000
Supplementary Vote a	**317,757**	-
Supplementary Vote b	**5,738,573**	-
Transfer from TB - Vote 10	-	252,000
Transfer from TB - Vote 15	**1,007,000**	-
Frozen Allotment	**3,600,000**	-
Governor General's special warrants	-	43,983,063
	457,226,330	465,640,063
Less:		
Lapsed appropriations	**(167,077,826)**	(106,686,090)
	290,148,504	358,953,973
Add statutory amounts:		
Salary and motor car allowance	**75,709**	68,735
Contributions to employee benefits plan	**10,228,516**	10,700,479
Current year appropriations used	**300,452,729**	369,723,187

(c) Reconciliation of net cash provided by Government to current year appropriations used:

(in dollars)	2007	2006
Net cash provided by Government	**279,016,467**	397,076,651
Revenue not available for spending	**35,332**	15,534
	279,051,799	397,092,185
Change in net position in the Consolidated Revenue Fund		
	11,433,518	8,159,705
Refunds/adjustments to previous years expenses	**(1,194,596)**	1,278,309
Increase (decrease) in Joint research and development project	**(565,045)**	(737,996)
Reduction for amounts paid to Justice Canada not affecting appropriation	**438,719**	(1,377,359)
	11,307,355	(34,617,363)
(Increase) decrease in accounts receivable	-	(74,294)
Increase (decrease) in accounts payable	**(19,021)**	-
Other		
Motor vehicle transferred from Industry Canada without charge		
	21,400,930	(27,368,998)
Current year appropriations used	**300,452,729**	369,723,187

Public Safety and Emergency Preparedness Canada

4. Transfer payments

(in dollars)	2007	2006
Grants		
Emergency management and national security	**590,466**	644,375
Community safety and partnership	**5,988,450**	20,621,375
Contributions		
Emergency management and national security	**55,707,056**	164,135,664
Policing and law enforcement	**1,834,836**	2,043,111
Community safety and partnership	**79,123,667**	76,300,523
Total	**143,244,475**	263,745,048

5. Accounts receivable and advances

(in dollars)	2007	2006
Receivables from other Federal Government departments and agencies	**3,278,031**	3,722,652
Employee advances	**24,752**	18,850
Total	**3,302,783**	3,741,502

Notes to the Financial Statements (unaudited)

Public Safety and Emergency Preparedness Canada

6. Tangible capital assets

(in dollars) Cost	2007 Opening balance	Acquisitions	Asset transferred in	2007 Closing balance
Informatics hardware	3,280,643	125,959	-	3,406,602
	101,670	46,300	-	147,970
Informatics software	62,537	29,378	30,033	121,948
	1,242,526	6,766,670	-	8,009,196
Motor vehicles	-	7,551,000	-	7,551,000
Leasehold improvements				
Post capitalization of lease hold improvement				
Total cost	**4,687,376**	**14,519,307**	**30,033**	**19,236,716**

Accumulated amortization	2007 Opening balance	Amortization	Asset transferred in	2007 Closing balance
Informatics hardware	1,644,521	368,491	-	2,013,012
	67,780	44,055	-	111,835
Informatics software	55,738	29,225	11,012	95,975
	1,242,526	329,764	-	1,572,290
Motor vehicles				
Leasehold improvements				
Total accumulated amortization	**3,010,565**	**771,535**	**11,012**	**3,793,112**

Net book value	2007 Opening balance	Net Change	Asset transferred in	2007 Closing balance
Informatics hardware	1,636,122	(242,532)	-	1,393,590
Informatics software	33,890	2,245	-	36,135
Motor vehicles	6,799	153	19,021	25,973
Leasehold improvements	0	13,987,906	-	13,987,906
Total net book value	**1,676,811**	**13,747,772**	**19,021**	**15,443,604**

- There was no disposal or write-off of capital assets during the year;
- During the fiscal year, PSEPC received a motor vehicle from Industry Canada without charges. In addition, leasehold improvement completed in fiscal year 05-06 was identified and capitalized in 06-07 (Note 9); and
- Amortization expense for current year is $771,535 ($531,572 in 2005-06).

7. Employee benefits

a) Pension benefits

PSEPC's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plans benefits and they are indexed to inflation.

Both the employees and the department contribute to the cost of the Plan. The 2006-07 expense amounts to $7,538,416 ($7,918,355 in 2005-06), which represents approximately 2.2 times (2.6 in 2005-06) the contributions by employees.

PSEPC's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

(b) Severance benefits

PSEPC provides severance benefits to its employees based on eligibility, years of service and final salary. The accrued benefit obligation at the end of the year is calculated by multiplying a ratio (23.20% for 2006 and 23.64% for 2007) to the department's annual gross payroll at year end subject to severance pay, which is the payroll related to indeterminate employees. The ratios are determined by Treasury Board Secretariat. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

(in dollars)	2007	2006
Accrued benefit obligation, beginning of year	10,329,989	8,741,140
Expense for the year	1,943,591	3,200,413
Benefits paid during the year	(827,649)	(1,611,564)
Accrued benefit obligation, end of year	11,445,931	10,329,989

Public Safety and Emergency Preparedness Canada

8. Related party transactions

The department is related as a result of common ownership to all Government of Canada departments, agencies, and Crown corporations. The department enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, the department received services which were obtained without charge from other Government departments as presented in part (a).

(a) Services received without charge from other government departments

During the year the department received without charge from other departments. These services have been recognized in the department's Statement of Operations as follows:

(in dollars)	2007	See note 11 2006
Accommodation	**7,680,133**	7,023,948
Employer's contribution to the health and dental insurance plans	**4,907,479**	4,780,227
	7,550	7,517
Worker's compensation coverage	**917,861**	1,058,140
Legal services provided by Justice Canada without charges		
	13,513,023	12,869,832

The Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The costs of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada, are not included as an expense in the department's Statement of Operations.

(b) Payables and receivables outstanding at year-end with related parties:

(in dollars)	2007	2006
Accounts receivable with other government departments and agencies	**3,278,031**	3,722,652
Accounts payable to other government departments and agencies	**11,223,722**	4,602,821

9. Capitalization of Assets purchased in Fiscal year 2005-06

In fiscal year 2006-07, a leasehold improvement to the PSEPC's Head Office building at 269 Laurier Avenue, Ottawa, that should have been capitalized in fiscal year 2005-06, was identified. A decision has been made to complete a post capitalization of the leasehold improvement during fiscal year 2006-07. The related cost is $7,551,000.

10. Disaster Financial Assistance Arrangements Program (DFAA)

In the event of a natural disaster in Canada, the federal government provides financial assistance to provincial and territorial governments through the Disaster Financial Assistance Arrangements Program to help meet the basic costs of response and recovery when such expenditures exceed what an individual province or territory could reasonably be expected to bear on its own. The current outstanding liabilities of $575M is the estimated cost of 41 natural disaster events for which the Federal Government has agreed to share the costs and final payments have not yet been made.

(in dollars)	2007	2006
Opening balance	559,390,034	529,109,170
Disbursements	(31,679,253)	(125,347,879)
Accrued expenses for the year	47,815,058	155,628,743
Closing balance	575,525,839	559,390,034

11. Comparative information

Comparative figures have been restated to conform to the current year's presentation.
The services provided without charge included in the financial statements of fiscal year 2005-06 have been restated to reflect the actual costs.

The effect is an increase in salaries and employee benefits, professional and special services and accommodation costs on the statement of operations. The restatements are also reflected on the statement of cash flow but do not affect the net cash provided by the government, the appropriation used or the equity of Canada.

Grant and Contribution Programs Administered by Public Safety Canada

1. Under the **First Nations Policing Policy (FNPP)**, Public Safety negotiates, implements, administers and monitors tripartite agreements for First Nations policing services. The First Nations policing services are culturally appropriate and responsive to the particular needs of First Nations and Inuit communities and are cost-shared 52% by Canada and 48% by the province/territory.

2. The **Joint Emergency Preparedness Program (JEPP)** was established to enhance the national capability to manage all types of emergencies and convey a reasonably uniform emergency response and recovery capacity across Canada. National capabilities are enhanced through training activities, the purchase of emergency response equipment and joint emergency planning.

3. The National Crime Prevention Centre provides national leadership on effective and cost-effective ways to prevent and reduce crime and victimization by addressing known risk factors in high risk populations and places. Under the **National Crime Prevention Strategy**, there are three funds:

    a. The **Crime Prevention Action Fund (CPAF)** supports the development and implementation of crime prevention initiatives aimed at reducing crime and victimization in communities large and small. It promotes cross-sector collaboration in crime prevention, engaging sectors such as policing, community health, voluntary and private sectors. It is a federal program that is delivered regionally in partnerships with provincial and territorial governments, and nationally for those projects involving more than one jurisdiction. This fund will also support projects that were previously funded under the Policing, Corrections and Communities Fund.

    b. The **Research and Knowledge Development Fund (RKDF)** supports innovative and promising interventions with at-risk populations and in specific communities to contribute to the development of the knowledge base of effective and successful practices. It also supports robust evaluations of pilot and demonstration projects and knowledge transfer activities to foster the application of good practices across the country.

    c. The **Youth Gang Prevention Fund (YGPF)** provides time-limited funding for anti-gang initiatives in communities where youth gangs are an existing or emerging threat. It supports the development and implementation of tailored interventions aimed at youth who are in gangs or at risk of joining gangs to improve community safety and

prevention of crime and victimization; it will also support the knowledge and evidence-based community interventions that target gun violence and gang-related issues by tackling its root causes.

4. **Disaster Financial Assistance Arrangements (DFAA)** assist provinces and territories to offset the costs of response and of returning infrastructure and personal property to pre-disaster condition.

5. The **Joint Infrastructure Interdependencies Research Program (JIIRP)** is jointly funded with the Natural Sciences and Engineering Research Council (NSERC). The ultimate outcome of the JIIRP is to produce new science-based knowledge and practices to better assess, manage and mitigate risks to Canadians from critical infrastructure interdependencies by funding innovative research projects with an emphasis on cross-disciplinary research.

6. The **Policy Development Contributions Program** (formerly known as the Departmental Contributions Program) supports policy development through allocations to public not-for-profit organizations in support of Public Safety priorities under the following categories:

    a. communication / information exchange projects;

    b. innovation and research projects that support innovative approaches and the acquisition of knowledge and the ability to translate knowledge into action for communities and community-based organizations; and

    c. training and skills development projects.

7. The **Public Safety Canada Research Fellowship Program** in Honour of Stuart Nesbitt White seeks to encourage Ph.D. research in two key areas:

    a. cyber security relating to critical infrastructure protection, preferably in disciplines such as computer/software/electrical/mechanical engineering, computer science, and/or areas such as systems science, and risk modeling and management; and

    b. disaster and emergency management, and physical critical infrastructure studies, preferably in disciplines such as urban and regional planning, geography, sociology, economics, engineering, environmental sciences, and/or areas such as risk assessment and modeling.

8. The **Workers Compensation Program** provides funding to provinces and territories, based on a 75% federal and 25% provincial/territorial cost sharing ratio, to compensate volunteer emergency service workers injured or killed in the course of emergency service training or work.

9. The **Sustaining Funding Program (SFP) for National Voluntary Organizations (NVOs)** provides grants to thirteen NVOs in order to cover core operating expenses and to maintain a national structure. These organizations provide policy advice to the Department and Portfolio agencies, and also provide public education activities and participate in community public safety initiatives.

Legislation Administered by the Department and Portfolio Agencies

The Minister of Public Canada has sole responsibility to Parliament for the following Acts:

- *Canadian Security Intelligence Service Act*
- *Charities Registration (Security Information) Act*
- *Corrections and Conditional Release Act*
- *Criminal Records Act*
- *Customs Act*
- *Department of Public Safety and Emergency Preparedness Act*
- *DNA Identification Act*
- *Emergency Preparedness Act*
- *Firearms Act*
- *Prisons and Reformatories Act*
- *Royal Canadian Mounted Police Act*
- *Royal Canadian Mounted Police Pension Continuation Act*
- *Royal Canadian Mounted Police Superannuation Act*
- *Sex Offender Information Registration Act*
- *International Transfer of Offenders Act*
- *Witness Protection Program Act*

PSEP or its Agencies administer or are impacted by the following Acts in whole or in part. Some contain specific functions of the Minister that the Minister exercises solely or in conjunction with other Ministers:

Public Safety Canada

- *Department of Public Safety and Emergency Preparedness Act*
- *Emergency Preparedness Act*

Canadian Security Intelligence Service

- *Canadian Security Intelligence Service Act*
- *Charities Registration (Security Information) Act*
- *Citizenship Act*
- *Immigration and Refugee Protection Act*
- *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*

Royal Canadian Mounted Police

- *Canadian Peacekeeping Service*

National Parole Board

- *Corrections and Conditional Release Act*
- *Criminal Code*
- *Criminal Records Act*
- *Prisons and Reformatories Act*

Correctional Services of Canada

- *Corrections and Conditional Release Act*
- *Criminal Code*
- *Extradition Act*
- *Old Age Security Act*
- *Prisons and Reformatories Act*
- *International Transfer of Offenders Act*
- *International Transfer of Offenders Act*
- *National Defence Act*
- *Royal Canadian Mounted Police Act*

Medal Act • *Controlled Drugs and Substances Act* • *Criminal Code* • *Criminal Records Act* • *DNA Identification Act* • *Excise Act* • *Export and Import Permits Act* • *Firearms Act* • *Foreign Missions and International Organizations Act*	• *Royal Canadian Mounted Police Pension Continuation Act* • *Royal Canadian Mounted Police Superannuation Act* • *Security Offences Act* • *Sex Offender Information Registration Act* • *Witness Protection Program Act*
Canada Border Services Agency • *Aeronautics Act* • *Anti-Personnel Mines Convention Implementation Act (through EIPA)* • *Blue Water Bridge Authority Act* • *Bretton Woods and Related Agreements Act* • *Canada Agricultural Products Act* • *Canada Border Services Agency Act* • *Canada Customs and Revenue Agency Act* • *Canada Grain Act* • *Canada Post Corporation Act* • *Canada Shipping Act* • *Canada-Chili Free Trade Agreement Implementation Act* • *Canada-Costa Rica Free Trade Agreement Implementation Act* • *Canada-Israel Free Trade Agreement Implementation Act* • *Canada-United States Free Trade Agreement Implementation Act* • *Canadian Dairy Commission Act* • *Canadian Environmental Protection Act, 1999* • *Canadian Food Inspection Agency Act* • *Canadian International Trade Tribunal Act* • *Canadian Wheat Board Act* • *Carriage by Air Act* • *Chemical Weapons Convention Implementation Act (though EIPA)*	**Canada Border Services Agency (continued)** • *Fertilizers Act* • *Firearms Act* • *Fish Inspection Act* • *Fisheries Act* • *Foods and Drugs Act* • *Foreign Missions and International Organizations Act* • *Freshwater Fish Marketing Act* • *Hazardous Products Act* • *Health of Animals Act* • *Immigration and Refugee Protection Act* • *Importation of Intoxicating Liquors Act* • *Integrated Circuit Topography Act* • *International Boundary Commission Act* • *Manganese-based Fuel Additives Act* • *Meat Inspection Act* • *Motor Vehicle Fuel Consumption Standards Act (not in force)* • *Motor Vehicle Safety Act* • *National Energy Board Act* • *Navigable Waters Protection Act* • *North American Free Trade Agreement Implementation Act* • *Nuclear Energy Act* • *Nuclear Safety and Control Act* • *Pest Control Products Act* • *Pilotage Act*

• *Civil International Space Station Agreement Implementation Act* • *Coastal Fisheries Protection Act* • *Coasting Trade Act* • *Consumer Packaging and Labelling Act* • *Controlled Drug and Substances Act* • *Convention on International Trade in Endangered Species of Wild Fauna and Flora* • *Copyright Act* • *Criminal Code* • *Cultural Property Export and Import Act* • *Customs Act* • *Customs and Excise Offshore Application Act* • *Customs Tariff* • *Defence Production Act* • *Department of Health Act* • *Department of Industry Act* • *Energy Administration Act* • *Energy Efficiency Act* • *Excise Act* • *Excise Act, 2001* • *Excise Tax Act* • *Explosives Act* • *Export Act* • *Export and Import of Rough Diamonds Act* • *Export and Import Permits Act* • *Federal-Provincial Fiscal Arrangements Act* • *Feeds Act*	• *Plant Breeders' Rights Act* • *Plant Protection Act* • *Precious Metals Marking Act* • *Preclearance Act* • *Privacy Act* • *Privileges and Immunities (North Atlantic Organization) Act* • *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* • *Provincial Trade Act* • *Quarantine Act* • *Quebec Harbour, Port Warden Act* • *Radiation Emitting Devices Act* • *Radiocommunication Act* • *Seeds Act* • *Special Economic Measures Act* • *Special Import Measures Act* • *Statistics Act* • *Telecommunications Act* • *Textile Labelling Act* • *Trade-Marks Act* • *Transportation of Dangerous Goods Act, 1992* • *United Nations Act* • *United States Wreckers Act* • *Visiting Forces Act* • *Wild Animals and Plant Protection and Regulation of International and Interprovincial Trade Act*
Other	
• *Canadian Centre on Substance Abuse Act*	

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For more information on Public Safety Canada, please visit our web site at: www.publicsafety.gc.ca.